

MONTHLY

# BULLETIN

OF THE

## NATIONAL ASSOCIATION OF CREDIT MEN.

ISSUED FROM THE

OFFICE OF THE SECRETARY-TREASURER,

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## Convention of the National Association of Credit Men, Held at the Planters' Hotel, St. Louis, Tuesday, Wednesday and Thursday, June 9, 10 and 11, 1903.

Owing to the delay in the arrival of delegates, due to failure of trains because of flood to reach St. Louis, the Convention was called to order by the President at 1.45 P. M., Tuesday, June 9, 1903, instead of at 10 A. M.

President—Gentlemen, promptness should be one of the burning items of the credit man's moral code, but we feel that no apology is necessary, as the conditions that required the deferring of our time of meeting beyond that indicated in our program, will be sufficient apology and justify the action of your directors.

We are very glad to welcome you, with the ladies, to our Eighth Annual Convention. Whilst we have a spirit of happiness pervading our meetings and a spirit of fine fellowship, yet at the same time we require also the spirit of common sense, because we have weighty matters to consider during our meetings. We hope you will all join in that spirit and give us the benefit of your wisdom and your personal deliberation. Our Convention will now be opened with prayer by the Rev. Dr. Samuel J. Niccolls, of the Second Presbyterian Church, of St. Louis.

Rev. Samuel J. Niccolls—Oh, Eternal and Ever Blessed God, Creator and Lord of all, in whom we live and move and have our being, we lift up our hearts to Thee in adoration; Thou hast made us for Thy service, and we joyfully recognize Thy glorious sovereignty and our dependence upon Thee. We would have all of our endeavors begun, carried on and completed in Thee. Therefore, we humbly beseech of Thee that Thy holy spirit may be granted to these Thy servants assembled in annual conference, that Thou wouldst grant unto them the spirit of wisdom, of counsel and of a sound mind; may Thy favor be to their credit and the fear of Thee their richest treasury. Do Thou so guide them in their deliberations that what shall be done shall be for the prosperity of industry and for right relations between man and man.

We thank Thee for that merciful providence which has been over Thy servants in their journeyings and hast brought them in safety to this place. Let Thy same good favor be continued to them, we beseech of Thee; let Thy blessing rest upon their families, and may they abide under Thy favor as under a shield.

We pray Thee also that Thou wouldst remember with us our whole country; grant Thy blessing to Thy servant, the President of these United States, and to all who are associated with him in counsel; to Thy servant, the Governor of this commonwealth, and to all who execute or make the laws throughout the several commonwealths of our land; so replenish them by Thy holy spirit that walking in divine counsel, righteousness may be established, and so peace abide among us.

Grant, Lord, that Thy truth and Thy righteousness may fill the whole land, and that wisdom in Thee may be the treasury of this Thy people.

We thank Thee for the marvelous prosperity which Thou hast granted to us in material things. Oh, Lord, still continue Thy favor, we beseech of Thee, and above all may we, through Thy great goodness to us in temporal things, learn righteousness and be impressed more and more with the sense of our responsibility to the world.

On this day, Oh, Lord, we would remember those who are overwhelmed by calamity; we beseech of Thee that Thou wouldst be with them in their troubles, and so overrule Thy chastisements that they may be made stronger in faith in Thee and established in righteousness; and let it be with us as Thou hast declared, that when Thy judgments are in the land the people will learn righteousness. Hear, Oh Lord, these our supplications and answer us; for we ask all in the name of Him who hath taught us to pray.

President—We feel that our welcome here has been so bountiful, even the waters rising to do us honor, than an oral welcome is hardly necessary; but still I am happy in presenting to you this afternoon him who will welcome us in behalf of the State of Missouri and the City of St. Louis, the Honorable Governor A. M. Dockery. (Great applause.)

Governor Dockery—For the first time in my life I shall depart from the custom which has become a fixed one with me. I have here an impromptu welcome which I shall proceed to read, with your indulgence, in part at least. (Laughter and applause.)

It has been my pleasure during the time I have presided as chief executive of this State to welcome many organizations to Missouri; but it is a peculiarly pleasant duty devolving upon me, Mr. Chairman and Gentlemen, to welcome this splendid representative business body of men to the imperial State of the Louisiana Purchase. (Applause.)

My pleasure is a double one also, but I shall not anticipate my distinguished friend ex-Mayor Walbridge. My duty is also not only to welcome you to Missouri, but to the chief city of the Louisiana Purchase; and I may offer in advance, and unite

with the ex-Mayor in offering, the hospitality of the people of this splendid metropolis, whose teeming marts have been enlarged and broadened by the wisdom of your policies and by the strength and extent of our varied industries.

The cheer of this greeting is more or less enhanced by reason of your commanding position in the business and financial world. Upon the wisdom with which these great business interests have been established, upon the conservative strength with which they have been builded and the indomitable, sagacious energy with which they have been conducted, depends in a large measure the hope of the people of this country for enduring and increasing prosperity. (Applause.)

A nation's power rests upon its financial standing. Without wealth there can be no sufficient time for leisure, and without leisure there can be no sufficient opportunity for intellectual and moral development. The stability of a country's financial reputation depends upon the honor, integrity and enterprise of the people, and especially upon you gentlemen in charge of our great financial institutions. These establishments are largely dependent upon you for the information and the sound judgment and discretion which assure careful yet aggressive and expansive commerce, both at home and abroad.

Vast responsibilities, as has been well suggested by your Chairman, are therefore yours, for the very life of our financial interests is committed to your keeping. Missouri's place in business circles is an enviable one. The nation's proud position in the commercial world is still more exalted. In military and naval strength this republic is one of the foremost powers of the universe. In the interchange of traffic between nations its importance cannot be gainsaid in view of its broadening scope and increasing enterprise. Already in the vast domains of industry, although a young nation, we surpass many and are inferior to none of the powerful commercial nations of the world. In agriculture, mining, manufacturing, forestry, railroad, mercantile and other pursuits, the United States to-day challenges the nations of the earth. With one-sixth of the wealth of the globe as our possession, we eagerly and confidently look for the speedy approach of that auspicious era when this republic shall not only control its own markets, but dominate foreign trade as well. (Applause.) World-wide American commercial supremacy is soon to be the accomplishment of the prophecies of the fathers of our financial Israel. It is written that this shall be our high station; we cannot escape this exalted destiny even if we would. Steam, electricity and invention have revolutionized the industrial world and the elements of that new industrial civilization, I may say, are almost peculiarly American, for they require courage, self-reliance, honesty and surpassing executive ability, and all these are American qualities. (Great applause.)

The American workman has no equal in all the wide circuit of the globe. He receives a greater daily wage than his co-worker in like avocations abroad, it is true, but he merits the increased compensation, because he can furnish by the aid of the most wonderful labor-saving machinery products in a given time several times more valuable than those produced by his foreign competitor. He is, therefore, entitled to a greater wage and he receives it.

In the struggles, Mr. Chairman, which may yet be necessary to place the dazzling crown of commercial world supremacy upon the brow of our country, Missouri will be found side by side with Maryland and all the sister States, in the effort to accomplish this high mission and this high destiny. (Great applause.)

But, gentlemen, the arm of commerce, the great, mighty arm of commerce, must still be directed in large part by you, the credit men of the country, as the great masters of trade.

The work of your Convention, as suggested by the Chairman, is most important, since your deliberations so vitally affect the vast fabric of our trade relations. The country grows, its development necessarily enlarges the opportunity for business advancement. There is no place in the United States where we can stand still; we must go forward, for to stand still is to go backward.

This makes imperative further and closer associations not only between capital associated in various industries, but it becomes daily more and more important to closely and impartially examine the true relations between capital and labor. To the patriotic consideration of the just conditions which must ever be maintained between these two mighty forces, should be summoned the wisest and most important and impartial counsel in business and legislative life. Let me say to you men of business that capital and labor should never be divorced by unjust legislation or by unwise administration. (Applause.)

Now, gentlemen, as I desire to bring my impromptu address to a close so that others may be heard, permit me to extend you a cordial welcome, or rather, to emphasize the welcome already extended. I am sure your deliberations will be characterized, by the wisdom which has made the American business man a distinct type. I care not where you may go, whether it be to Europe or to Asia or to the isles of the sea, wherever you find the American business man he is a distinct type, an aggressive, pushing, powerful factor in any community in which he resides or does business. (Applause.)

And now, let me suggest, gentlemen, that your labors have already done much to accomplish the prosperity which now pervades our country, which must be so, because your labors are along lines which naturally promote confidence and establish relations and unite into one vast community the people of the earth. The success of your policies means freedom from turmoil, from unusual disturbances, and

the steady growth of all our industries which contribute to the grandeur and the glory and development of the American republic. (Great applause.)

Now, just one word that is not in the speech. (Laughter.) It is not the habit of Missourians to assemble on any occasion now without some reference to the approaching centennial anniversary of the acquisition of the Louisiana Purchase. We are glad to see you here to-day in your representative capacity; in 1904 we want to see you here accompanied by your families and your friends, to look in on the most wonderful and marvelous exposition of industries known in all the history of time. (Great and continued applause.)

President—We want to thank the Governor for his enthusing remarks. Governor, we feel as though Missouri belongs to us. (Great laughter and applause.) We are proud of the St. Louis Association. If there is any negative to that I wish the delegates would rise. Now, in behalf of that Association, in expressing an oral welcome, I am happy in presenting to you the Hon. Cyrus P. Walbridge, of the J. S. Merrill Drug Company.

Mr. Walbridge—Mr. President, Ladies and Gentlemen: Governor Dockery is most always right. (Laughter.) I can say that honestly, because I did not vote for him; but he was wrong when he intimated that I was here to represent St. Louis. I am here to represent the Credit Men's Association of St. Louis. I have a right to wear this badge, and I am proud of it. (Great applause.) As I look over this company of men I cannot help feeling that the credit of any honest man is safe in your hands.

Did you ever stop to think that credit is the basis of everything in this world?

Every man deserves credit. Most men have some credit. Those who have credit would have more perhaps if they knew how. Credit is the basis of religion, it is the basis of politics, it is the basis of commerce; hence churches are organized to teach men how to obtain credit with the Ruler of the Universe. Is that right, Dr. Niccolls?

Dr. Niccolls—It is a little mixed. (Great laughter and applause.)

Mr. Walbridge—Dr. Niccolls has been an honor to this town for thirty-eight years. I have been listening to him for twenty-seven years, on the theory that he was trying to tell us how to obtain credit with Deity. If I have been mistaken all this time, Dr. Niccolls, I think, has been acting under false pretenses. (Great laughter and applause.) And I want to say to you that he has succeeded, and we are still proud of him. I repeat this, from the standpoint of a layman, the object of the church is to teach you and me how to establish our credit with Deity.

Political organizations, Governor Dockery knows, are established to teach men how to obtain credit with the great sovereign people. Some of them succeed better than others. The party that Governor Dockery belongs to has succeeded mightily well in Missouri for the last thirty-five years. (Laughter.) And I want to say that their success shows that their teachings amounted to something when they elected the good Governor as the chief executive of the State. (Applause.)

And now it comes about that associations are being formed to teach them how to establish and maintain commercial credit, and that, I take it, is the principal object of these credit associations. You are not organized to teach the seller how to grind the buyer; you are organized to teach the buyer how to conduct his business in a manner that shall establish and maintain his credit with the seller (applause), and to the extent that you succeed in this you are entitled to the thanks of the community; you are entitled to the thanks not only of religious teachers and political teachers, but of commercial teachers, and those you will receive.

So, in the name of the St. Louis Credit Men's Association I bid you a most cordial welcome, and I hope that after you are through deliberating upon these serious questions you will thoroughly enjoy the entertainment which has been provided for you by our competent committees. (Great applause.)

President—After that cordial welcome I think that every one of us should intercede with Dr. Niccolls to O. K. Mr. Walbridge's order on heaven. (Great laughter.)

The response to these two addresses of welcome, on behalf of the National Association of Credit Men, was to have been made by Mr. Macauley, of Columbus, Ohio, but Mr. Macauley is not a good swimmer, and he stayed at home. We have, however, a most acceptable and worthy substitute who will read that address for us, and I wish to present with pleasure Mr. M. E. Bannin, of New York. (Great applause.)

#### RESPONSE TO ADDRESSES OF WELCOME, MR. GEORGE THURSTON MACAULEY.

Pleasant, indeed, it is to be in this place. In this fine old border State, famous formerly for its compromise, but now for uncompromising hospitality; in this old, yet fair city, the gateway of the Southwest, well known equally for the beauty of its women and for the quality and quantity of its manufactured products; speaking for all of us, strangers, yet friends, who have assembled from the various centers of our country's population, I thank you, the representatives of constituted authority, for the kind words just spoken; but to all the members of the St. Louis Credit Men's Association I desire to express our gratitude for the spirit of welcome shown to us. We came to St. Louis as visitors, but you have made us feel that we are honored guests. The hearty hand-shakes, the pleasant salutations, as well as



the many evidences which we see of preparation for our comfort and pleasure, are almost overwhelming. These things we will not, we cannot, forget.

But what is our chief purpose, what the object sought by these hundreds of busy men, who have left their daily tasks to assemble in this city of St. Louis? Pleasant as it may be to meet with you, our hosts, to hear your cordial words of welcome, to break bread with you and to drink your wine, there must be something of greater import which serves as an impetus to send from cities near and far these men normally involved, on each and every secular day, in their own affairs.

The reply is as obvious as the query is pertinent, and is "to advance our Association, and to further its ends." This is the power which has operated to bring us together, and if our purpose be a worthy one this reply will be satisfactory. Listen to the voice of the founders of the Association: "It is organized for protective and educational purposes—to promote and combine the intelligence and influence of members"; and I add "in order to accomplish certain reforms, and to attain to or to approach certain ideals in the practice of our profession." We are busy men, and the prime object of business is the accumulation of wealth. But there is a choice of means, and it is with these means or methods that we, as credit men, are interested.

In a word, business means buying and selling, and there are in use at the present day two great methods, the one being "For Cash" and the other "On Credit." We are concerned almost entirely with the latter. Here we reach another question, a greater question, to which the answer, if the correct one, will show a motive worthy of the men who are influenced by it. This question is: What is Credit?

The simplest, and at the same time perhaps the most satisfactory, definition of credit is confidence. When we sell goods on credit, we rely upon another's implied promise to pay for the goods when due—he has our confidence. This confidence or credit is given on one of two bases, either on account of the financial condition of the purchaser, showing that he cannot avoid payment, or else on account of his moral character, showing that he will not do aught, but pay. If the dispensing of credit were done solely upon property statements and exhibitions of financial strength, the credit man would not be needed, or would be at best but a ministerial officer, whose duties could be performed by the veriest tyro.

But modern business is not conducted upon this plan. It is confidence in the character and in the ability of the buyer which causes a credit man to say: "We will be glad to sell goods to you," which confidence is, of course, founded, on various underlying causes. Confidence it is that makes the world go 'round, nor do I cavil at the old saw, for confidence is the very groundwork of love, as it is of every other human relation. The wee infant, who cannot of his own volition move hand or foot, first learns to have faith in the mother, who bore him, confidence that she will give him his every requisite. This first lesson but leads to others, confidence in the strong arm of those who guide his toddling steps, confidence that his daily bread will be provided at his call. A little later, he learns to observe and admire the beauties of nature, and although these are, at intervals, withdrawn from his sight, he knows that a Divine Power, acting through the great laws of nature, will uncover to his waking eyes the grandeur that yesterday passed from his sight.

Every act of our daily life implies confidence in some one. We believe that our food will nourish our bodies, that our houses will shelter us, and that they will stand upright in spite of storms. This implies confidence in the organism of our bodies and in the stability of the earth itself, and in the skill of the man who planned and of those who put together the frame work of our buildings. There is not a relation in life that is not founded on confidence—that of man and wife, of parent and child, of master and servant, of employer and employee. In each instance the one trusts the other and believes that he will do certain things and will not do certain other things.

It was the confidence which Queen Isabella of Spain felt in the courage and ability of Columbus, which made it possible for him to cross the ocean and to cause the history of the Western Continent to be begun in 1492 instead of at some later date. It was the confidence in the future of the United States of America, felt by Thomas Jefferson and our other early statesmen which led them to negotiate that famous Purchase which makes it possible for us, who are here assembled to-day, within the boundaries of the Louisiana of a century ago, to be understood when we use the English language, thus relieving us from the necessity of speaking in the language of the great Napoleon, or that of one of the aboriginal tribes.

One could easily show that a higher form of civilization involves chiefly an increase of confidence between nature and man, and between man and man. If love is the greatest thing in the world, confidence is her handmaiden. Let us rejoice and be glad that modern business is founded on this great thing, and proud that it is, with this very thing itself, that we, as credit men, are solely concerned.

We believe that our calling is a high one, and it should be our duty and our pleasure to keep it on a high plane, and we must remember that we ourselves, at the same time the servants and the arbiters of our profession, are responsible for its position in the eyes of the world.

It is not the motto nailed at the masthead which accomplishes results—this

is but a stimulus toward action, just as it was not the great Commodore's words: "Don't give up the ship," which won the battle, but rather the right purpose in the hearts and the energy in the bodies of his men, directed, it is true, by these words, which showed his undying spirit. And so we must not rely upon the text chosen by the founders of our Association, and think that all is done when we have repeated it over and over again. The mere believing in it or in ourselves avails naught—it is the earnest effort made by each individual man from day to day, to educate and to protect, which will serve to bring all business up to a higher plane.

Not so very many years ago the business man, as such, was ranked far below the professional man—the student—the scientist. Thank God, those days are past—but remember that this is so chiefly because many wise men of affairs have brought into their offices, their factories and their stores bodies, healthy and well trained, intellects keen and far seeing, and hearts great enough to embrace persons and objects outside of self—and because they have with heart and brain and soul met and solved the problems and faced and conquered the adverse conditions which beset them. It is for the purpose of stimulation to such efforts as these, and for mutual encouragement, that we are met together.

I have answered my questions, and it only remains for me to thank you, our hosts, again for the courteous reception given us, and to wish the Association success in its work. (Great applause.)

President—We want to thank Mr. Bannin for undertaking that which is always a hard matter, to act as substitute for some one else.

Now, Ladies and Gentlemen, I wish I could talk to you out of the heart and without these notes, but when you become President you will know you are not President, and you lose your independence—you are always the underling of the secretary, and if you do not do what he tells you it won't be very comfortable, so I have had to write my remarks, and therefore read them:

#### PRESIDENT'S ADDRESS, PRESIDENT J. HARRY TREGOE.

Through your confidence and regard, I have enjoyed the privilege and distinction for the year just closing of administering the presidential department of our esteemed Association, and now, upon returning that responsibility, feel impelled to present concisely, but definitely and clearly, those impressions and recommendations constrained by a year's thoughtful conscientious study rather than a commercial thesis upon some specific subject.

"No man is sane," Emerson quaintly remarks, but it calls for no abnormal pressure upon the supposed sanity of any clear-sighted commercial man to own the unique position achieved by the National Association of Credit Men during the period of its swaddling years and be charmed with its potential force and power in the commercial interchange of our great nation.

Whilst a layman in a local work, I had always been impressed with the possibilities, and more than pleased to assist in the upward movement, but not until the present distinction had been permitted me did the range of vision expand so wonderfully, and it could be clearly discerned that a keen, helpful, permanent work had been inaugurated and of which the remotest member could rest perfectly confident and be proud.

Gentlemen, it would be far from me at this period to play with words or draw too florid a picture, but with sincerest assurance, I am deeply convinced there was a place for our Association, and that it is surely though slowly filling that place. Let me incite you to a feeling of intense loyalty, and the confession that it is indeed pleasant to lay aside the purely commercial ends of a personal work and be identified in a concert of action that can't be measured in physical results, but means a unification of the best in us and of us for honest progressive methods and a heritage of fine fellowship to the coming generation which will always mean much and justify our existence.

With this dedication of personal conviction to the thought, power and possibilities of our work, let us proceed to consider its departmental facilities and the features demanding our immediate attention and best thought.

We merely yield to the natural inclination when indicating first the pleasant things, and it is a matter not only of pleasure, but strict justice, to commend in heartiest terms our executive department at the central office in New York City, and its administration by our untiring and able colleague, Mr. Prendergast. The recent removal of this department to more pleasant and commodious quarters, whilst compelled by uncontrollable circumstances, was really necessitated by the expanding volume of our work for the Secretary's corps, and the growing importance of the central office as a place of visitation by many of the members transiently in that city. We now feel dignified, and in perfect comfort that the Association, whilst not indulging any extravagance, has made favorable provision for its executive staff and visitors.

The demands on this department from the perennial extension of our work has very steadily increased, and as it is practically the heart of the system and radiates its vigor in every direction, it is incumbent upon us to nurture and maintain its efficiency and deny nothing that conditions may absolutely demand.

Financiering on the per capita allotment for the national work has now become

the pressing duty of our Secretary-Treasurer, and in "cutting the garment according to the cloth" there is a disposition to too great a closeness, and many pressing suggestions simply have to be abandoned because the treasury's condition emphatically says "No." Will we be satisfied to protract this financing problem, or voice the willingness of our colleagues to put the department on the basis to soundly and quickly execute all urgent demands. I unhesitatingly recommend a small addition to our per capita dues.

Into the executive corps was inducted a new member on January 1st, the Assistant Secretary, Mr. F. J. Stockwell, whose efforts for membership extension have had definite publication in our BULLETIN and the thoughtful determination of your Executive Committee at its November meeting to create this new office seems perfectly justified by results. We are gratified to report a substantial gain in membership, the reinvigorating of several Associations, and the inauguration of new ones at Youngstown, Lynchburg and St. Joseph. Very reasonable hopes were entertained from the disposition of other cities, but it was not deemed expedient from treasury reasons to undertake their identification this year.

In the matter of membership, and the consolidation of local interest, I suggest a visit with each of the local Associations at least once a year from one of the executive officers, for in many of the smaller cities this contact of the local with the national work would energize and circulate a fine spirit of renewed loyalty among those members who would not otherwise realize the intimate touch.

It was a very grateful part of my year's administration that I had the privilege of visiting on stated occasions, usually annual meetings, several of our Associations, and the recommendation I make emanates from these experiences, when the members present appeared to become so thoroughly identified with the spirit of our work, and took on an impetus that was undoubtedly felt for a long period.

In many instances, our members in the smaller cities haven't the stimulus for work and interest that radiate in the larger places and their enthusiasm is not aroused through the circulation of literature to that extent which would undoubtedly be brought about by a face-to-face contact and the publication of just what the National Association has done and is aiming to accomplish.

These visitations should not be any burden upon the local associations, but simply a feature of our national work.

Our literature has always been an effective department of the work, and we have disseminated through individual publications and BUSINESS TOPICS very many efficient and up-to-date thoughts on commercial and credit plans that couldn't fail to bring results and be very helpful to the thoughtful.

Since the consolidation of the BULLETIN and BUSINESS TOPICS, we have been able to put into the hands of all our members, definite information regarding the local and national works, and efforts from the pens of contributing members. We feel convinced this monthly publication is a great factor in promoting our welfare, but it has also expanded with our expansion, and to publish monthly, within the limit of our most liberal allowance, the necessity has been manifested of doing it on the most economical basis, and in consequence, the work isn't so sightly and readable as it ought to be, and some of our interested and ardent members have not felt willing to present their efforts through this channel.

I feel the time has come when provision should be made for a more sightly publication, one that we can take up with pleasure and without optical risk. The demand for this improvement has been very urgent during the past year.

The Standing Committees of the National Association are a representative branch of the associated work and constitutionally endowed with very important functions.

Like all bodies of a representative character, the sum total of their accomplishments is a reflex of the individual interest, and no committee can demonstrate greater power or results than the combination of that thoughtful co-operation contributed from each member.

It would be holding a State secret to the prejudice of our anticipations were we to reserve the knowledge that the distinct work allotted to each of the committees is not always vigorously executed, and "latent" would justly denominate the attitude assumed by many of the appointees.

Perhaps the honor is the semi-conviction of all the appointment reflects, and happily our achievements so far have not been deterred by this heaviness of movement, overcome by a resourceful executive department, but forecast when conditions may alter; new aspirants for representative positions and a new complexion to our conventions; then we can only have felt safe and satisfied in stamping vitality into the metal of our committees.

Pardon the emphasis with which this is presented, but I feel the uncontrollable impulse to arouse a demonstration for the veracity and power of our committees, and have immediate dedication of your convictions that this is not only desirable but imperative.

When our appointees are named for the ensuing year, let it be understood by each individual appointee that some contribution beyond latent interest is expected from him and that unselfish character should dictate a declination if it is just beyond their reasonable power to become so identified.

With the clear aims of our Association ever before us, realizing its wide commercially philanthropic scope and the results it has set about to attain, we will

acknowledge that unification and co-operation are the simple keys to success, and the willingness of each member to do his very best will really put at the disposition of your executive department more material than could perhaps be immediately utilized.

The Local Associations have each peculiar functions to perform, in a manner thoroughly independent of but within the spirit of the national work.

It would be far from our desire to intrude upon the privileges of the Local Executives, but there is just one feature I wish to emphasize for thoughtful consideration.

Due to the nominal sum charged annually for membership dues, very many of the local associations are unable to maintain an individual office or a secretary whose time can be largely devoted to the local work.

Quite a few are affiliated in intimate fellowship with older commercial bodies, and in this way granted courtesies for officers and association meetings; others not so fortunately situated and the minority have individual equipments.

Isn't the time ripe for our complete identification within the communities where we are located? And as vigorous indispensable commercial bodies, is it possible to thoroughly effect this identity without the valuable adjuncts of an individual office, and an executive officer, either secretary or assistant, whose undivided thought can be devoted to the work?

To use the muscles is their life and development, and I am deeply assured it's not the sounding of any uncertain or drastic note, to suggest thoughtful reflection on the expediency of quick motion in such a direction.

The value in every line of an executive whose identification is complete with the local and national bodies and is permitted by sufficient consideration to devote the needed time must be owned, and would improve the present status in some directions where the incumbent is performing largely honorary work and so pressed by other and more personal demands that the office can at the best have but perfunctory attention.

If the accomplishment of such a plan calls for an increase of annual dues, are not the advantages derived from membership with us, we thoughtfully ask, worth the increase?

This presents the five resonant points which we have been led to accentuate as the incentive and basis of this annual message, and their claim upon our thoughtful attention should not be lost sight of during the interest and enthusiasm of our present outlined program, nor upon resuming our individual duties when the convention season is over.

Representing constituencies of great influence and power in the commercial and financial interchange of our loved country in convention assembled, we shall be called upon to deliberate discreetly and wisely on many questions of burning value and that are presented as voicing the very best that will increase the advantages or diminish the wrongs now existing in the business economy.

Let us realize the responsibility; be serious in our reflections and when it is over and dispositions made according to our unprejudiced judgments, have the conviction that we have done our best and faithfully executed the representative trust reposed in us.

At the conclusion of the paper, tumultuous and long-continued applause greeted the president.

Mr. W. N. Fitzgerald, of Milwaukee—I wish at this time to offer the following resolution:

*Resolved*, that the address of the President be referred to the Committee on Resolutions, with the recommendation that the suggestions made by him be considered and the result of such consideration be submitted to this convention for action.

Motion made, seconded and unanimously carried to adopt the resolution.

The Secretary-Treasurer then read his address, which was received with long-continued and enthusiastic applause.

## ANNUAL REPORT OF SECRETARY-TREASURER WM. A. PRENDERGAST, OF NEW YORK.

This occasion signalizes the beginning of a new year in the life of the National Association of Credit Men. The onward march of time provides but meagre opportunity to dwell upon the story and experiences of the past, so urgent becomes the necessity of meeting with willing promptitude of effort the requirements and responsibilities of the future; and therefore this recitation of the affairs of the year just closed is useful principally as a guide for the periods which are to follow.

The Association year of 1902-1903 has been one of the most important, and in certain respects the most eventful in its history. During the year a momentous question of which it was the earliest and at all times the strongest advocate was settled, and settled right, in the amendment and perfection of the Federal Bankruptcy Law. In addition to this, its legislative activity in other directions has been pronounced and successful—in all the different branches of its work vigor has been its motto, and accomplishment its reward.



President Tregoe has discussed in a thorough and masterly manner many different subjects which appeal to your consideration, and it is, therefore, my portion to simply lay before you the essential facts and figures covering the record of the past year.

## FINANCIAL REPORT.

### RECEIPTS.

June 1, 1902, received from former Treasurer Geo. G. Ford.....	\$38.06
Individual Dues Collected.....	5,917.50
Organized Dues .....	10,449.75
From sale of Inquiry and Statement Blanks.....	363.16
	<u>\$16,768.47</u>

### DISBURSEMENTS.

Vouchers paid in June, 1902.....	None.
Vouchers paid in July, 1902.....	\$2,342.80
Vouchers paid in August, 1902.....	1,245.50
Vouchers paid in September, 1902.....	994.28
Vouchers paid in October, 1902.....	897.70
Vouchers paid in November, 1902.....	2,462.39
Vouchers paid in December, 1902.....	1,126.45
Vouchers paid in January, 1903.....	2,154.39
Vouchers paid in February, 1903.....	784.09
Vouchers paid in March, 1903.....	1,593.77
Vouchers paid in April, 1903.....	915.28
Vouchers paid in May, 1903.....	1,826.55
	<u>\$16,343.20</u>
Balance in Treasury.....	\$425.27
Balance in Office Account .....	750.00
	<u>\$1,175.27</u>
Less Voucher No. 62, unpaid office and general expenses for May, 1903...	712.90
Cash Balance over all obligations.....	\$462.37

### COMPARISON OF RECEIPTS.

	1901-1902	1902-1903	1902-1903 Increase
Individual Dues.....	\$4,012.52	\$5,917.50	\$1,904.98
Organized Dues.....	8,650.00	10,449.75	1,799.75
Blanks Account.....	290.75	333.16	72.41
	<u>\$12,953.27</u>	<u>\$16,730.41</u>	<u>\$3,777.14</u>

### COMPARISON OF DISBURSEMENTS.

	1901-1902	1902-1903	1902-1903 Increase
Stationery and Printing.....	\$3,335.05	\$3,873.80	\$538.75
Postage.....	1,111.10	1,232.47	121.37
General Expense .....	2,049.63	2,947.61	897.98
Organization .....	878.10	1,064.88	186.78
Salaries.....	5,625.63	7,238.13	1,612.50
	<u>\$12,999.51</u>	<u>\$16,356.89</u>	<u>\$3,357.38</u>

### STATEMENT OF RECEIPTS BY MONTHS.

	Total.	Org. Dues.	Ind. Dues.	Blanks.
June, 1902.....				
July, 1902.....	\$5,917.25	\$3,251.25	\$2,666.00	
August, 1902.....	961.00	771.00	190.00	
September, 1902.....	950.00	700.00	250.00	
October, 1902.....	623.77	319.00	240.00	\$64.77
November, 1902.....	1,125.97	1,049.00	50.00	26.97
December, 1902.....	1,261.41	1,123.00	85.00	53.41
January, 1903.....	652.00	592.00	60.00	
February, 1903.....	1,265.01	877.00	370.00	18.01
March, 1903.....	1,155.00	352.50	802.50	
April, 1903.....	1,284.00	924.00	360.00	
May, 1903.....	1,541.00	491.00	850.00	200.00
	<u>\$16,730.41</u>	<u>10,449.75</u>	<u>\$5,917.50</u>	<u>\$363.16</u>

## STATEMENT OF EXPENSES BY MONTHS.

	Sta. & Ptg.	Postage.	Gen'l Exp.	Org. Exp.	Salaries.	Total.
1902.						
June.....	\$265.54	\$82.75	\$425.27	.....	\$453.37	\$1,226.93
July.....	518.39	107.48	82.07	.....	538.66	1,245.50
August.....	217.33	49.81	75.48	\$10.00	506.66	919.28
September.....	198.89	65.27	171.88	.....	536.66	972.70
October.....	642.34	180.05	115.79	.....	546.66	1,485.72
November.....	11.17	96.50	133.89	.....	591.66	832.62
December.....	654.36	156.50	848.17	220.88	594.16	2,474.07
1903.						
January.....	369.37	83.03	350.85	200.00	731.66	1,734.91
February.....	200.73	105.27	133.15	200.00	696.66	1,335.81
March.....	285.24	104.50	293.50	200.00	702.66	1,589.90
April.....	263.64	99.51	103.08	100.00	693.66	1,259.89
May.....	246.82	100.90	214.18	134.00	583.66	1,279.56
	\$3,873.80	\$1,232.47	\$2,947.61	\$1,064.88	\$7,238.13	\$16,356.89

The Association is also the owner of a large quantity of Property Statement Blanks and Trade Inquiry Forms, upon the sale of which there is an immediate profit; during the year, some new furniture has been purchased for the National Office, all of which, with other property noted in former reports, are worth, at a low figure, \$1,000.00; but in this estimate is included no pamphlet or printed matter other than that mentioned.

## REPORT ON TRUST FUND.

Submitted herewith is a complete report of the receipts and disbursements of the Trust Fund of the Investigation and Prosecution Bureau from the inception of the Fund, to June 1, 1903.

SUBSCRIPTIONS, INTEREST AND ASSESSMENTS ON CLAIMS PAID  
 INTO THE TRUST FUND OF THE INVESTIGATION AND  
 PROSECUTION BUREAU, FROM MARCH 21,  
 1900, TO JUNE 1, 1903.

SUBSCRIPTIONS.		Amount.
City.....		
Baltimore, Md.....		\$560.00
Boston, Mass.....		680.00
Buffalo, N. Y.....		80.00
Chicago, Ill.....		1,010.00
Cincinnati, O.....		365.00
Cleveland, O.....		140.00
Columbus, O.....		40.00
Denver, Col.....		60.00
Detroit, Mich.....		115.00
Kansas City, Mo.....		75.00
Louisville, Ky.....		25.00
Milwaukee, Wis.....		465.00
Minneapolis, Minn.....		315.00
Nashville, Tenn.....		40.00
New Orleans, La.....		120.00
New York, N. Y.....		1,200.00
Philadelphia, Pa.....		1,195.00
Pittsburg, Pa.....		305.00
Portland, Ore.....		210.00
Rochester, N. Y.....		755.00
San Francisco, Cal.....		50.00
St. Louis, Mo.....		1,180.00
St. Paul, Minn.....		290.00
Sioux City, Ia.....		20.00
All others.....		670.00
Interest to June 1st, 1903.....		274.00
Assessments.....		88.58

\$10,327.58

## DISBURSEMENTS.

Account of legal services, case of N. Spiro.....	\$100.00
Account of legal services and disbursements, case of Jacob Fine.....	530.00
Account of legal services and disbursements, case of M. Levinson.....	624.15

Account of legal services, case of E. Rosenberg.....	250.00	
Account of legal services, General Counsel.....	1,400.00	
Account of disbursements, General Counsel.....	218.32	
Account of legal services and disbursements, case of A. M. Felson.....	250.00	
Account of refund outlays to National Office.....	250.00	
		<u>3,622.47</u>
Balance on hand.....		\$6,705.11

The balance on hand of \$6,705.11 is on deposit in the Fourth National Bank of New York, and is verified by them.

#### MEMBERSHIP.

It is pleasing to report that the membership of the Association continues to increase with regularity and sustained success, as shown by the following figures:

	June 1, 1902.	June 1, 1903.	Net Increase June 1, 1903.
Organized membership...	3,577	3,987	410
Individual. ....	427	567	140
Total.....	4,004	4,554	550

There were reported to the last Convention thirty-three local associations; the Saginaw branch has not claimed membership for the past year, making a loss of one. There have been added three, viz., St. Joseph, Lynchburg and Youngstown, making a net gain of two, and a total of thirty-five, on June 1, 1903.

This is the first occasion in four years on which we have been enabled to announce an increase in the individual membership—heretofore this branch of the membership has shown a decrease—and the favorable result of the past year's work is due entirely to the fact that the Board of Directors saw fit to accept a suggestion which had been submitted to the Association for the past five years and engage the services of some well-qualified man who could and would give his undivided time and attention to the task of soliciting memberships for the Association. We were especially fortunate in securing the services of Mr. Francis J. Stockwell, who has been designated as the Assistant Secretary of the Association and from January 1, 1903, has devoted his energies to the active membership work. The results of his efforts form the best eulogy that could be pronounced upon his labors; from January 1 to June 1 he has secured 167 individual applications, and also reorganized the St. Joseph Branch. One of the principal arguments urged against the policy of having a special organizer in the past was the fear that it would prove a financial drain upon the Association. We are pleased to report this work has been carried on with an actual profit to the Association for the five months past, after allowing for Mr. Stockwell's salary and traveling expenses.

As noted in the report of the Membership Committee, the literary work incident to Mr. Stockwell's organization efforts is done by the National Office, and it is proper at this time to say that he has been aided materially by old members of the Association, through letters of introduction and personal appeals they have sent to houses Mr. Stockwell was about to visit.

We have already before us an extensive list of places where local branches should be organized, as well as individual memberships solicited, and these points will be visited as quickly as the demands upon the time of our officers will warrant.

The general activity and work of the local associations has been maintained to a most healthy and satisfactory degree, and the President and Secretary-Treasurer have visited and addressed a large number of the branches during the year.

#### FINANCIAL FORECAST.

In order that this Convention may have before it a forecast of the receipts for the coming year, the following table is respectfully submitted:

Individual Dues.....	\$5,500.00
Organized Dues .....	11,960.00
Blanks .....	300.00
	<u>\$17,760.00</u>

This amount should cover the ordinary expenses of the Association exclusive of Assistant Secretary Stockwell's salary and traveling expenses, as we have not included in the above forecast any revenue from his work, assuming in the interest of conservatism that one will balance the other.

## GENERAL MATTERS.

Seven years have passed since the formal organization of this Association; it has achieved a gratifying growth in numbers, a splendid influence in business affairs, a high and enviable reputation in all things. These results are the fruition of sound basic principles, firmly established and unerringly respected by officers and laity; the Association has been as honored as it was fortunate, in that its early years and efforts were entrusted in those whose tongues spoke with wisdom and whose hands guided with prescience; that the abilities and purposes of the Association were not diverted from the paths of safety and legitimate endeavor, is due, not to those outside who would have misused its energies for the advancement and propagation of selfish and personal enterprises, but its faithful officers and friends, who, with strong hand upon the helm held its course determinedly and heroically toward the harbor of impartiality, integrity and independence. In closing the last report submitted by him as President of the Association, Mr. Jas. G. Cannon sounded the key-note of these principles when he said that, despite attempts to the contrary, the Association had been kept absolutely "free from all entangling alliances." Insidious efforts to secure the endorsement, the official patronage and the influence of the Association for divers business schemes and projects, are matters of constant occurrence; the Association must never surrender its right to criticize that which does not meet with its approval, nor impair the sincerity and earnestness of its attitude as a public servant, by the slightest derogation of its impartiality and broad-mindedness; interests of sufficient strength of merit will not ask our support, neither will they require our endorsement. True to its fundamental precepts, our Association, encouraged by a just pride in its past, turns its face to the future. May the golden glory of its morning be but a faint reflection of the brilliancy of its noontide, and, as the shadows of time creep around it, may fidelity to worthy ideals and steadfastness to exalted principles crown with effulgent splendor the twilight of its career.

The following resolution was then offered:

*Resolved*, that the report of the Secretary-Treasurer be received and referred to the Auditing Committee.

Amended by asking that the report be referred to a committee who shall apportion the various parts of it to the various committees, that is, to the Finance, Auditing and Membership Committee. Amendment accepted and motion made, seconded and unanimously carried adopting the resolution.

President—Our Secretary will now announce the rules of the Convention, and the several committees.

Secretary.—

## RULES FOR THE CONVENTION.

Each delegate representing a local association, and bearing proper credentials, shall be entitled to one vote on any motion or resolution coming before the Convention.

Each individual member recorded upon the books of the Association, prior to the official closing of the books for the year, shall be entitled to one vote on any motion or resolution coming before the Convention.

Both organized and individual members shall be entitled to a vote in the Convention by regularly appointed proxy or proxies.

The President shall appoint Committees on Resolutions, Credentials and Nominations, and an Auditing Committee.

Regularly appointed leaders in debate will be allowed five minutes in which to present their views. All other discussion on questions coming before the Convention will be limited to three minutes for each speaker, except by unanimous consent of the Convention, and no individual will be permitted to speak more than once upon any subject except by unanimous consent of the Convention, or to correct a misinterpretation of his remarks. The Chairman of a Standing Committee will have the privilege of closing the debate in a five minutes' speech on all resolutions submitted by his Committee.

The regular program of the Convention shall be followed, and the time schedule allotted in the program for the consideration of given topics shall be strictly observed. The maker of a motion, the proposer of a resolution, or a speaker, shall, upon rising and addressing the Chair, announce his name and residence before proceeding.

A motion to refer to a committee shall be put at once without further debate.

All resolutions, except those offered by the various standing committees in connection with their reports, and such others as shall be offered at the time of the discussion upon the report of any standing committee, and particularly referring to the work of such committee, shall be referred, without debate, to the Committee on Resolutions.

Nominations for officers shall be by ballot in the following manner: After nominating speeches have been made the Convention will proceed to an informal ballot for officers of the Association for the ensuing year, and the two gentlemen receiving the highest number of votes for the respective offices on the informal ballot will be declared the nominees for that particular office.



The vote for such nominees shall be by ballot.  
The vote for the location of the central office shall be by ballot at the call of the roll.

President—The Secretary will now read the list of Committees appointed.  
Secretary-Treasurer Prendergast read the following list:

*Committee on Resolutions.*

Chas. Biggs, New York.  
W. A. Hopple, Cincinnati.  
L. J. Kadeski, Quincy, Ill.  
Henry T. Smith, Chicago.  
Chas. N. Robinson, Omaha.  
Eugene S. Elkus, San Francisco.  
Edward G. Koonz, Burlington.  
Alfred H. Burt, Buffalo.  
W. S. Hughes, Minneapolis.  
J. A. McKee, Philadelphia.  
George F. Sinclair, Grand Rapids.  
T. M. Terry, Lynchburg.

*Committee on Nominations.*

E. A. Young, St. Paul.  
F. W. Standart, Denver.  
H. B. Pearson, Baltimore.  
J. E. Lang, Carthage.  
C. S. Foster, New Orleans.

*Committee on Credentials.*

Wm. A. Prendergast, New York.  
Ira D. Kingsbury, Rochester.  
Charles L. Bird, Boston.  
C. B. Nordeman, Louisville.  
John L. Powell, Kansas City.

*Committee on Audit.*

W. Moody, Memphis.  
Ralph B. Gillette, Denver.  
H. L. Sperry, Nashville.

President—We regret to announce the absence of Mr. Marcus M. Marks, who was to address us on "Fraternity." We have his address, however, and have requested our Assistant Secretary, Mr. Stockwell, to read that address, and that gives us also the opportunity of presenting our new executive officer. (Applause.)

Mr. F. J. Stockwell, Assistant Secretary, St. Louis—I am laboring under a little difficulty with a hard cold, and under the circumstances I must beg your indulgence. I am sorry the writer of this paper is not present. He could present it in a much more forcible manner than I could, and with a greater understanding as to his own composition.

**"FRATERNITY," MR. MARCUS M. MARKS, PRESIDENT NATIONAL ASSOCIATION OF CLOTHIERS.**

Brotherhood is one of life's sweetest relations. It means so much sympathy, so much community of interests, so many mutual aspirations. To make life really broad, fraternity should reach beyond physical brotherhood. Members of the same lodge, members of the same union, call one another "brother." Why should not fellow merchants adopt this lovely sentiment? A merchant spends the best hours of his day, the best years of his life, in his business. The improvements of science make the strain on him greater than ever. The hand, the eye, the ear, and the brain all work together rapidly, and soon new inventions may keep the feet employed all day, too.

To what extent do the stern laws of competition permit the merchant to be a "brother" to his fellow trader? There was a time when many thought that to get business one must take it away from some one else; but ideas are broadening, men see large markets spreading out before them, and it is becoming apparent that there is room for all, and that friendly competition should take the place of personal opposition. In each line of business there are so many conditions that affect all alike that there is every reason for the sympathy of brotherhood between even the keenest competitors. In buying, fellow merchants face similar circumstances; in selling, the same risks and abuses confront them; their relations to the labor question are much alike. Why should they not join hands in the effort to make the best of their surroundings, to raise the standard of their trade, to make their business lives more agreeable and satisfactory? Trade conditions can be vastly improved by co-operation between merchants. Let competitors, instead of jealously watching one another, turn their eyes to the greater and nobler object, the mutual benefit of all. When the "unremitting kindness" of some of your customers "makes you tired," organize on the lines of

## THE NATIONAL ASSOCIATION OF CLOTHIERS.

Some twenty years ago, the idea of establishing a system of credit information exchange in the clothing manufacturing industry, was conceived in New York City. About thirty firms organized an association for the purpose of carrying out this plan. Many of the other firms in the trade looked upon the project as little more than a fanciful experiment. Would competitors really tell one another the truth about their customers? The steady growth of the association since the time of its organization answers the question. Without the satisfactory operations of the system, this growth could not have continued until now, when the association includes, not only nearly all the important firms in New York City, but over ninety-five per cent. of all the leading manufacturers in the twelve great clothing manufacturing centers of the United States.

The subject of trade organization may be viewed from two standpoints—the ideal and the practical. In addressing an association composed altogether of merchants it might be considered proper to take up the practical first. In weighing the credit of a retailer, trade information is generally considered the safest guide; and among the different sources of trade information it is admitted that what is learned from parties to whom the dealer does *not* refer is frequently of more advantage, particularly in bringing out any unfavorable facts there may be, than what is secured through the references given by the customer himself. How, except by the establishment of a credit bureau, can you possibly get such information? It is out of the question to attempt to scour the various markets. It might take your messenger a month to report on one case. But by association, by systematizing the matter, the natural order brings you information from every corner, and you learn how much your customer owes and how much he is buying, besides other details connected with the account. Is not this practical? Ask almost any wholesale clothier in the United States and you will get the answer. Years of experience leave no doubt as to the merit of the co-operative system.

To create the spirit necessary to make an intimate association of this sort possible, a campaign of education is required. One of the greatest obstacles to overcome is the objection on the part of some manufacturers to reveal the condition of "pet" accounts that they are "carrying." This objection was overcome in the clothing trade only by making the offset clear; in other words, each member who feared to reveal the condition of such favored accounts was convinced that by association he would receive in exchange for his firm's secrets the secrets of the hundreds of other firms in the circle, and the acquisition of such information was a benefit that he could not afford to reject.

It seems to me that those credit men who do not know the live up-to-date facts of their customers' purchases and debts, and have only the meagre information of agencies and "*ex parte*" references, often have to "guess" in making their decisions. They may succeed, but luck plays a very important part.

I heard of a German, some time ago, who wanted to buy a lottery ticket. He insisted on getting number 43—he would take no other. He finally secured this number and won the capital prize. When asked where he conceived his notion for 43 and why he insisted so strongly in having that particular number he gave this lucid explanation: "I dreamed of number 7 for several nights, and spoke to my wife about it." "Strange," retorted she, "I've dreamed of number 6 the last few nights." "Now," continued he, "I was in doubt what number to play, when the happy thought struck me to multiply the number 7 by 6, and so I played number 43." His conclusion was about as logical and as lucky as some of those arrived at by the credit man without crucial facts and figures. But luck doesn't always run that way.

Truthfulness in the reports is, of course, a condition of the usefulness of the system. It is a great tribute to the value of association and to the high standards set up thereby that in twenty years' active operations in a large body of merchants such as I have described there has not been one case reported of an intentionally false figure in the aggregate number of over a million reports that have been distributed to the members during that period. And no oath is taken. The honor and reputation of the merchant have been our guarantee.

A boy was brought before a Judge and took the usual oath to tell the truth, etc. The Judge, noticing his youthfulness, asked him whether he understood the nature of the oath, when the boy replied: "Why, Judge, don't you remember I 'caddied' for you last summer?" The only oath I ever hear in our association is when a dishonest dealer escapes our vigils, and in such a case we have agreed that we will not sell the party goods again, either in his own name or any other, on credit or for cash.

## MERCHANTS' NATIONAL ASSOCIATION.

What applies to one industry applies more or less to all others. Take, for instance, department stores, the multiplication of which throughout the United States has in recent years been going on with astonishing rapidity. At the present moment, merchants at large have no means of speedily and adequately investigating the financial condition of these stores. What is needed for this purpose is the general adoption by manufacturers and jobbers of a system similar to that employed by

the Clothiers' Association. The clothing manufacturers stand ready, not only to assist the other trades in the formation of sister associations, but also to interchange trade information with these organizations as soon as the latter are in running order. This interchange can be accomplished very simply by a *clearing house*, which shall be, not an investigating bureau, but only a center, an exchange between investigating bureaus. There is no question about the tremendous practical benefit of such a system; beyond bringing immediate benefit in dollars and cents, such association will create a better feeling and a better understanding between the merchants of the land.

We have at present no association truly representative of the mercantile community. There are a number of very good institutions, such as chambers of commerce, etc., but they do not officially represent the great body of merchants of the country. If each trade organizes an association and appoints delegates to form a central body, this central body will really and truly represent the commerce of America. Such a comprehensive organization will wield a powerful influence in legislation and in every movement for the good of trade. Our new National Department of Commerce will have no safer body than it to turn to in considering matters of interest to the commercial community.

### THE LABOR QUESTION.

The subject of labor is one that occupies a prominent place at the present time in the thoughts of all the manufacturers of this country. Even the credit man whose eyes are supposed to be on his books cannot help hearing in his office the rumbling noises that come from the factory. He realizes that if the factory stops his department is soon idle. His interest is intense. He hears that a feeling of discontent pervades the shops; that workmen are complaining that they do not receive their share of the general prosperity which seems evident on every side. It is not surprising, in view of the tremendous extravagance of our day, that such discontent should arise among those who feel that they play a very important part in producing the great profits the existence of which this extravagance presupposes. How can the situation be met? In my opinion, even when the claims of the wage-earner are considered unjust or exorbitant, opposition is not the proper course. Education, co-operation, fraternity, should be the forces used in harmonizing misunderstandings. Frequent conferences should be arranged. In most cases misunderstandings disappear in the light of friendly conferences, when the employer has patience and is guided by justice, and the wage-earner listens to reason and respects the rights of others. Manufacturers and employees can be made to see that it is idle for the hand to fight against the head, or the head against the hand; but with the head and the hand co-operating, working together in unison, mutual interests can be advanced with the best results for the prosperity of our country and for the happiness of all the people. When we realize that labor is potential capital and capital is converted labor, the wall between the two breaks down. There is room in this great country of ours for every employer and every wage-earner to work out his destiny and reap full reward for his enterprise and his toil. Our only danger is from blind passion brought on by ignorance, arrogance and oppression of some employers and some employees. These must be educated, and although the proposed Merchants' National Association contemplates co-operation in the credit departments only, its members by their thorough knowledge of practical affairs may do much in the direction necessary to bring about ideal conditions.

There is no other organization of merchants so well equipped to pioneer the great work of associating the merchants of this country in credit co-operation as the National Association of Credit Men. Let not the size of the task deter us. "Atlas could not have carried the world on his shoulders had he turned his thoughts to its size." When sub-divided the work becomes very simple. Let each local Credit Men's Association take up the organization of the trades of its own city on simple lines, not attempting to do too much at the start, organizing, if for no other purpose, for the sake of association simply, for the sake of smoothing off the sharp corners of competition and bringing about cordial relations. After this is done it will be merely a matter of ordinary executive skill to make the National Association of Merchants of America a combination of all these locals. Each trade should have its own organization, and then all the trade organizations should unite in one great central body. There is very little difference between the general credit interests of the merchant in Maine and the merchant in California, the merchant in Texas and the one in Minnesota. All labor under similar conditions and limitations. Let all join hands in the hearty clasp of fraternity, determined, not only to foster the best economic conditions, but also to raise the standard of American trade, to improve the ethics of business life.

Secretary—Mr. Loris E. Tune, the Chairman of the Entertainment Committee of the St. Louis Credit Men's Association, has asked us to announce that at 4.30, if we are ready, or as soon thereafter as we are ready, the cars will leave for Delmar Garden. If time will permit it is the intention of the Entertainment Committee to take us by a route that will give the delegates and visitors an opportunity to see a good deal of the city. (Great applause.)

We have received the following telegrams:

CHARLES L. BIRD,

Credit Men's Convention,

Care Planters' Hotel, St. Louis, Mo.

Massachusetts' Governor signed the best bulk bill yet enacted. The "Hub" has spoken; give Boston's congratulations to the Convention.

JOHN R. AINSLEY,

WM. M. MORGAN.

BOSTON, Mass., Jun. 9, 1903.

JOSIAH F. KNOWLES,

Planters' Hotel, St. Louis.

Congratulations! Massachusetts falls into line. Governor signed bulk bill yesterday.

C. H. ARNOLD.

(Great applause.)

Secretary—The modesty of Mr. T. M. Terry, of Lynchburg, forbids us the pleasure of hearing from his own very deserving and worthy lips the announcement that Virginia has joined the ranks of bulk law States, by a law passed practically as the result of the work of the new Lynchburg branch of the National Association of Credit Men (great applause), making in all 7 bulk laws passed since the 1st of January, 1903.

I will also read the following communications:

MISSISSIPPI VALLEY TRUST COMPANY.

St. Louis, June 4, 1903.

Mr. A. H. FOOTE, Secretary,

St. Louis Credit Men's Association,

P. O. Box 575, City.

DEAR SIR:—This company is pleased to extend a cordial invitation to all delegates and visitors in attendance at the Annual Convention, National Association of Credit Men, to visit the offices, located opposite Planters' Hotel, and requests that they make their headquarters in its building. A competent stenographer and private office will be at their disposal. A guide, in waiting, will show all guests through our general offices and safe deposit vaults.

Trusting they will not hesitate to command us, I am,

Yours very truly,

JAMES E. BROCK, Secretary.

THE NATIONAL BANK OF COMMERCE IN ST. LOUIS.

St. Louis, May 23, 1903.

To the Delegates Credit Men's Association:

You are cordially invited by the officers of The National Bank of Commerce to inspect their banking house, at the corner of Olive Street and Broadway, during your stay in our city.

We shall feel honored by a visit, and will take pleasure in showing you through our offices.

Yours respectfully,

W. H. THOMPSON, President.

MERCANTILE TRUST COMPANY, ST. LOUIS.

JUNE 2, 1903.

Mr. A. H. FOOTE, Secretary,

Credit Men's Association,

Box 575, Saint Louis.

DEAR SIR:—I shall be very much pleased to have the credit men visit the Mercantile Trust Company's building during their stay in Saint Louis. I think they will find it interesting, and we can assure them a most cordial welcome.

Yours truly,

FESTUS J. WADE, President.

REMINGTON TYPEWRITER COMPANY,

710 Locust Street.

St. Louis, June 9, 1903.

Secretary National Association of Credit Men,

Planters' Hotel, City.

DEAR SIR:—We understand you are holding a convention in our city, and we have no doubt you will possibly have occasion to use a typewriter for the convenience of the Convention and proper conduct of business. If that is the case call on us, and we will take pleasure in placing at your disposal one of our late style machines without cost.

Trusting you will give us an opportunity to serve you, we are

Very truly,

REMINGTON TYPEWRITER COMPANY,

M. L. DEALE, Manager.



President—We appreciate very deeply these invitations and courtesies, and many of us will avail ourselves of the advantage of them. We will consider first the resolutions offered by the Membership Committee, and I want to say that I am not a parliamentarian, but I just want to control on the lines of strict order, justice and decency, and I will ask you, please, to feel perfectly at home. This is your opportunity. Do not keep quiet if you have something to say, but when you arise announce your name and your city. Our stenographer has especially asked that, as it helps him, and moreover it identifies you. So that we will proceed now to consider the first resolution which the Secretary will please read.

Secretary—The first resolution is as follows:

*Resolved*, that the National Association be requested to prepare a slip with a perforated, gummed edge, upon the detachable portion of which shall appear the words:

#### NOTICE.

The concern giving this information is a member of the National Association of Credit Men, and is pleased to furnish the same.

A postal to Mr. Wm. A. Prendergast, Secretary-Treasurer, 29-31 Liberty St., New York, will bring you literature showing the advantages of membership.

It is suggested that these slips be distributed to the entire membership of the Association, and that the members be requested to paste such a slip upon each and every written reference they may give."

Mr. L. J. Kadeski, of Quincy, Ill., moved that the resolution be adopted, and Mr. J. A. McKee, of Philadelphia, seconded the motion.

Mr. W. A. Given, of Pittsburgh—The object of the resolution is to keep before the person receiving the information the fact that it comes to him because the person answering is a member of the National Association. Why, then, should the information be detachable? It seems to me that it should be put there so that it could not be gotten off. I think I would put that on so that it would stay there, and every time that the concern would look at that report they would be reminded of the fact that it came from the National Association.

Therefore, I would offer an amendment that this notice be printed on a slip of gummed paper instead of detachable.

Mr. F. H. McAdow, of Chicago—I would like to ask Mr. Given whether there would always be room to gum the entire surface and still place it upon the inquiry. Would that not lap over either something of the inquiry or something of the cover?

Mr. Given—That would depend on the size of the paper.

Mr. A. H. Burt, of Buffalo—I fail to see the object of the amendment. I fail to see why it is necessary for the credit men to use their tongues as a paste pot. A slip enclosed answers the purpose and it is sufficient.

C. S. Foster, of New Orleans—I did not hear a second to the amendment—there is nothing before the house.

Mr. McKee, of Philadelphia—The Philadelphia Association have been using cards which all of the members use continuously, and which they put in the envelope in reply to inquiries. This has been very efficient and has brought in many new members. I think that will answer the question about the gumming. It is not necessary to use it—it can be put in the envelope.

The original resolution as offered was called for.

Original resolution unanimously adopted.

The Secretary then read the following resolution:

*Resolved*, that the National Secretary have printed on separate cards or slips the resolutions which are adopted at each convention, and send the same to the officers of each local association, and to the Chairmen of the various committees of each local association, with the request that the subjects be kept prominently before them during the year for their own guidance, and in order that the work of the association be furthered.

Each Committee Chairman to get only the cards containing subjects of direct interest to his committee, and to be supplied with one dozen copies of the card.

Each Secretary to get a copy of each card, such as is sent to the various chairmen, so that he may be able to keep track of the work each committee is supposed to take up.

Mr. I. B. Jacobs, of St. Louis, moved the adoption of the resolution.

Motion seconded and unanimously carried.

The Secretary then read the following resolution:

*Resolved*, that the Secretary of the National Association be, and he is hereby authorized and instructed to obtain designs and bids for furnishing an Association Button, which shall be a suitable emblem, significant of membership in the National Association of Credit Men; the selection of a design and the acceptance of a bid to be subject to the approval of the Board of Directors, and the button to be furnished to members in good standing—to individual members through the National Secretary, and to local members through their respective local secretaries—upon the payment of \$1 and the signing of an obligation to return the button, without refund, upon withdrawal from the Association.

Mr. Richard J. Morawetz, of Milwaukee, moved that the resolution be tabled. Mr. Kadeski, of Quincy, raised the point of order that the convention had received neither the report of the Committee on Credentials nor had it adopted any rules.

President—It has been our custom in previous conventions to proceed as we are proceeding now, but we have never brought up the question, and it has never come to that definiteness of vote required before we proceeded to business.

Mr. Bannin, of New York—I ask the privilege of the Association that we proceed as we have regularly proceeded heretofore, and that the Committee on Credentials present its report when it has it prepared later.

Mr. L. J. Kadeski—I move to amend that motion to the effect that the rules as read by the Secretary be adopted.

President—If there is no objection we will proceed as we have heretofore.

Mr. Morawetz—I desire to renew my motion to table the resolution.

Seconded by Mr. Philip Present, of Rochester.

Unanimously carried.

President—We will now take up the work of the Business Literature Committee, and I will ask the Secretary to read the first resolution.

The Secretary read the resolution as follows:

"Whereas, It has been the policy of the Association to send the paper known as BUSINESS TOPICS to daily, weekly and trade papers; and

Whereas, This practice, while bringing before said papers many important questions of a business nature, does not inform them of the current work of the Association; therefore be it

Resolved, That BUSINESS TOPICS be discontinued as a separate paper, and that instead the MONTHLY BULLETIN be sent to the press mailing list."

Motion was made and seconded to adopt the resolution.

Mr. Fred. R. Salisbury, Minneapolis—How much additional cost will that entail on the Association?

Secretary—I do not believe it will mean an extra expense of \$100 in the year.

Mr. F. W. Standart, of Denver—I am opposed to this resolution on the ground that we have a good many individual members in this organization who are paying, say, \$10 a year, and I think they should have something, and all that they have at the present time is the BULLETIN.

President—You are referring to the second resolution—we are on the first resolution.

Mr. E. E. Scharff, of St. Louis—I think it would be quite in order for the gentlemen who framed these various resolutions to make some remarks regarding them. I do not believe the Convention as a general thing understands fully the objects of these various resolutions, and I believe they would come much more clearly before us if the gentlemen who made them would make a few remarks upon them as they come up.

President—Is the Chairman of the Business Literature Committee present?

Secretary—He is not a delegate.

An explanation was called for from the Secretary.

Secretary—I would state that the first resolution under the head of Membership Committee was prepared and sent to the office by Mr. William Barker, Jr., of the William Barker Company, of Troy, New York, who regretted his inability to come here, and asked me to have the resolution submitted.

The second resolution under the head of Membership Committee was sent to me by Mr. Foote, of St. Louis, at the request of Mr. Vogel, of the St. Louis Credit Men's Association, who is a delegate to this Convention.

The third resolution offered by the Membership Committee was prepared and sent to me by Mr. Dorchester Mapes, of Chicago.

The first resolution, which we are now considering under the head of Business Literature Committee, was prepared by myself, for this reason: When BUSINESS TOPICS was first established, six years ago, it was with the idea of putting before the press of the country every month, or as often as possible, the views of credit men upon business questions. When the BULLETIN was established we continued to publish BUSINESS TOPICS as heretofore, sending a copy to each paper on our press list, of which there are about 1,150, and we incorporated in the BULLETIN each month the same matter which appeared in BUSINESS TOPICS for that month. Now, our BULLETIN has developed to such an extent that we do not have to depend upon BUSINESS TOPICS as the sole medium for the circulation or dissemination of the views of credit men upon business questions. The BULLETIN every month contains a number of discussions of this character. Therefore, if we adopt this resolution we will not only be providing the press with the views of credit men as we have all along been doing under the head of BUSINESS TOPICS, but also will be placing before the press all the current news of the local associations, which I am very sure that the papers of the different localities would be very glad to publish if it was only put into their hands.

Question called for on the motion, which was put and unanimously carried.

The Secretary then read the following resolution:

"Resolved, That the Secretary of the National Association of Credit Men be, and he is hereby authorized to charge a sum not less than fifty cents per annum for the MONTHLY BULLETIN; this charge to be made to all members, both individual

members of the National Association and members of the local associations, to whom the BULLETIN is sent."

Secretary—The author of that resolution would like to withdraw it if there is no objection on the part of the Convention.

The privilege of withdrawing the resolution was unanimously granted by vote of the Convention.

President—The privilege is granted and the resolution is withdrawn.

The Secretary then read the following resolution:

"Resolved, that the local associations be requested to issue frequently BULLETINS containing events of importance in respect to their work, and particularly, information in respect to legislation which may be pending in their States."

Secretary—The Secretary desires to say on his own behalf that he was not the author of the resolution that was withdrawn.

Motion made and seconded that the resolution last read be adopted.

Unanimously carried.

President—That disposes in the most gallant fashion of our resolutions for the day, and, owing to the fact that several of the delegations have not yet arrived, we shall postpone until to-morrow morning the appointment of the chairmen of the different delegations, and before we adjourn we have just one announcement to make.

Secretary—The New York Credit Men's Association asks us to say that it has a special car at its disposal, and if any of the delegates from the other cities are going to New York from here, the New York delegation would be very glad to have you accompany them, and if you will apply to Mr. Meek he will make all the necessary arrangements for you.

Adjourned.

WEDNESDAY, JUNE 10th, 1903, 10.30 A. M.

Convention called to order by the President.

President—We are now ready to open our second morning's session, and we will open with prayer by the Rev. Rabbi M. Spitz, of St. Louis, editor and publisher of the *Jewish Voice*.

Rabbi Spitz—Our Heavenly Father, Thou hast promised us, "wherever I shall suffer my name to be mentioned there shall I come unto thee and bless thee." We approach Thy throne of mercy this morning, craving Thy blessing upon this gathering of Thy children, who would not proceed to their business before having asked Thy aid, and having worshipped Thee.

In their heart of hearts they feel the assurance that whatever they undertake in Thy name, and in whatever work they proceed with the thought that Thy Holy Spirit accompanies them and abides with them, success shall greet them. Indeed, they feel the importance of this hour; and amid the materialism surrounding these Thy children, they do not forget the great and exalted mission of all human activity, which is to bring them nearer to God and nearer to men.

We crave Thy blessing and Thy holy spirit of righteousness and of justice and integrity upon these children of Thy love and Thy mercy, who have come hither for the purpose of protecting themselves, of asking Your aid and strengthening their own hands by strengthening those of others, of emphasizing the need and necessity of honesty and integrity, of guarding against the vileness of fraud, of creating a sentiment which is to tend to bring the possibilities of business nearer to them and to others: We ask Thee, oh Eternal Father to be with them, and that every word spoken here and every act accomplished may tend to the betterment of man and of his relation to his fellow men. We ask all this for the sake of Thy Holy Name. Amen.

President—We will now have read to us the announcements for the day.

Secretary—I will read the following announcements:

#### ENTERTAINMENT PROGRAM.

*Credit Men's Association*, June 10, 1903.

Special cars for ladies' luncheon at Glen Echo Country Club will leave the Planters' Hotel at 10 o'clock A. M. sharp.

Returning, leaving Glen Echo Club 2.30 P. M., going directly to the Administration Building of the World's Fair, where they will meet the delegates for the trip over the World's Fair grounds.

Cars, St. Louis Transit Company, will leave the Planters' Hotel at 2.30 P. M. sharp for the World's Fair grounds, Administration Building, where they will meet the ladies from Glen Echo Country Club for the trip over the World's Fair grounds. Leaving the World's Fair grounds as soon as the entertainment there is completed, all will go direct to the steamer *City of Providence*.

The steamer *City of Providence* will leave at 6.00 instead of 6.30 o'clock, as heretofore arranged, in order that all delegates may have an opportunity to get a good view of the river.

Boat for river trip leaves the foot of Olive Street at 6.00 o'clock sharp.

L. T. TUNE,

Chairman of the Entertainment Committee. 7

ST. LOUIS, June 9, 1903.

To the Secretary of the National Association of Credit Men:

DEAR SIR:—I am instructed by the Advisory Committee of The Missouri Historical Society to invite the members of your association to visit the Society's building at 1600 Locust Street, where we think you will find much to interest you. By an examination of the maps and pictures preserved by the Historical Society visitors to St. Louis will obtain a fair idea of the wonderful development of the Mississippi Valley in the last hundred years.

The members of your Association and their friends are cordially invited to visit the Historical Society.

Very truly yours,

GEORGE F. MOCKLER,  
Secretary.

To Mr. W. A. PRENDERGAST.

Secretary—The names of the State Vice-Presidents are to be announced toward the close of to-morrow's session. The list of Chairmen of State delegations is as follows:

Colorado .....	E. A. Clifford.
Connecticut .....	J. F. Knowles.
Georgia .....	D. H. Kirkland.
Illinois .....	Dorchester Mapes.
Iowa .....	Edw. G. Koonz.
Kentucky .....	Theo. O'Toole.
Louisiana .....	Saml. Wolf.
Maryland .....	Wm. K. Bartlett.
Massachusetts .....	Chas. L. Lewando.
Michigan .....	Jas. J. Smith.
Minnesota .....	M. C. Badger.
Missouri .....	John L. Powell.
Nebraska .....	C. W. Russell.
New York .....	Jos. Farley.
Ohio .....	W. F. Lyon.
Oregon .....	W. O. Munsell.
Philadelphia .....	Frank S. Evans.
Tennessee .....	S. L. Lee.
Virginia .....	T. M. Terry.
W. Virginia .....	F. T. Cartwright.
Wisconsin .....	Edwin C. Mason.

Secretary—It has been thought that the reading of the following letter will prove of interest to the Convention. About a month ago the New York Association determined that it was a good thing to try to rid New York, if possible, of men who have represented to houses that they have special means and facilities for reaching dead claims. The New York Association retained Mr. Henry C. Quinby, who is also the counsel for the Investigation and Prosecution Bureau, and who is present at this Convention; and the result of Mr. Quinby's work is that full information in regard to the operations of these fellows has been placed in the hands of the District Attorney, and the principal offender in this line has left New York.

The letter is as follows:

AMERICAN SODA FOUNTAIN COMPANY,

Manufacturing under the Lippincott Patents.  
930 Arch Street, Philadelphia.

JUNE 3rd, 1903.

Wm. A. Prendergast, Esq.,  
Secy. National Association of Credit Men,  
29 Liberty St., New York City.

DEAR SIR,—The writer has just been visited by a gentleman who presented the enclosed card and memorandum attached.

He stated his concern had learned that Mr. Albert S. Elwell had come into possession of some property by inheritance and that if quick action were taken the money could be collected, etc.

This sounded like a story so often repeated to our members that the writer took it for granted the scheme was still being worked.

He inquired of the representative whether he had ever heard of such an organization as The National Association of Credit Men, as a result of which he became much agitated and suddenly disappeared.

We do not recall the name Lawyer Commercial Exchange in connection with previous complaints and any information you can furnish us will be appreciated.

Yours truly,

AMERICAN SODA FOUNTAIN COMPANY,  
Per

ZEISER.



Secretary—I desire to state that the information furnished to this Philadelphia Company in this pencil form on the slip corresponds exactly with the tactics used by the New York concern who closed their office on account of the activity of the New York Association, and I think that the Philadelphia concern is simply an arm of the New York body.

Report of Committee on Credentials called for.

Secretary—In view of the fact that the greater number of credentials was not passed in to us until this morning, it is impossible for the committee to make its report at present. If all the delegates will pass in their credentials we can prepare the report without much delay.

President—We are sorry for the delay, but we trust the delegates who have lately reached here will kindly pass their credentials to the Secretary as quickly as possible, so that the Committee on Credentials can complete their work. I will declare a recess for a moment or two so that they can be passed to the Secretary.

(A short recess was taken and then the Convention reconvened.)

Secretary—The Auditing Committee, consisting of Mr. W. I. Moody, of Memphis, Mr. Gillette, of Denver, and Mr. Sperry, of Nashville, will meet immediately in Room 304.

The Committee on Resolutions will hold its first meeting in this room this afternoon at 3 o'clock.

The Committee on Nominations is expected to report before the close of this session.

President—It was a very grateful part of our year's work that an Association of Credit Men was inaugurated at St. Joseph, Mo., and we are all very happy and pleased this morning to have with us Mr. Frank W. Yale, of St. Joseph, who will address us on "Failures and Their Causes." (Applause.)

"FAILURES AND THEIR CAUSES," MR. F. W. YALE, OF THE JOHN S. BRITTAIN DRY GOODS Co., ST. JOSEPH, MO.

Mr. President, and Gentlemen of the Convention: I can conceive of no greater compliment that could be paid the St. Joseph branch of the National Association of Credit Men than the request for one of its members to address this convention, nor of an honor higher than to be the person selected for that purpose.

The St. Joseph Association and its representative are both fully appreciative.

Recently a discharged bankrupt approached his former banker and asked for assistance to start in business again. "What caused your failure?" the banker inquired. "I don't know; I did plenty of business, but somehow lost money." "Well, my friend," replied the banker, "If you don't know why you failed you would make the same mistakes and fail again, and I have no money to risk that way."

There are many others like this bankrupt. When in business they lack the "know how," and when they fail they miss the "know why." A discussion, therefore, of the causes of failure from the standpoint of personal observation may be of interest, and I hope of some profit, although I do not expect to discover conditions entirely unfamiliar to credit men.

Bradstreet's annual publication of information regarding failures and their causes gives such complete statistics that repetition here, besides being unnecessary, would prove tiresome. If any credit man has neglected to read, ponder, and digest it, I would recommend that he pay it well-deserved attention. It furnishes the foundation for any figures I may use, and has been of material assistance in arriving at some of my conclusions.

Lack of capital, or trying to do too much business for the capital invested, is responsible for more failures than any other one cause. It furnishes thirty per cent. of the number failing, and twenty-five per cent. of the liabilities. It is not an uncommon error to expect too much of capital. While it certainly occupies the most important position in business, there must be an intellect behind it to give it power, and energy to shove it along; for it will respond only in exact ratio to the degree of intelligence and amount of energy which direct it. Standing alone and without these necessary adjuncts, capital lacks power, and, like the buried talent, neither gains nor loses, but answers no valuable purpose. It assists ability, does not create it. A little capital plus a great deal of applied ability has been the foundation of most of our largest and most successful commercial enterprises. But the daily sacrifices, the steady plodding, the resolute will, and the conservatism of such successful men are too prosaic for emulation by those whose ambition out-foots their good judgment.

Ambition is a most excellent trait when it does not overreach itself to the point of recklessness; then it becomes a decidedly dangerous attribute. It is a commendable ambition to make one's investment earn all it can each year; that is what it is for. The mistake is in trying to make all the money in one year, thus demanding of capital more than it can possibly perform. A few men are so well endowed with brains and vigor that working capital is to them a secondary matter, and in these days of long datings and easy credits, they would prosper upon little or no initial capital. But men of the average capacity need to be educated to the uses and restrictions of capital, either by their own experience—which is often expensive—or by the experience of others.

It is the anxiety to do business beyond the volume that can be safely supported by the capital that leads to over-trading in some of its various forms. The running of several stores, the multiplying of departments, excessive buying, scattering capital in speculative investments and crediting excessively, are phases of over-trading that are directly responsible for the vast majority of slow accounts, that form the basis for nearly every offer of compromise, and are the most prominent features in the greater number of insolvent estates. If one has successfully conducted one store it does not follow that he can divide his attention and his capital and run two or more stores with equal success. More merchants fail because of the ownership of branch stores than succeed with them.

To delegate authority and responsibility, which must in a measure attend the running of separated mercantile establishments, is to assume a great risk; for while many have the ability to execute well for themselves, few have the ability to direct. Adding a new department to an established business calls for the exercise of almost the same degree of caution as should attend the opening of an additional store. There should be sufficient capital placed at the disposal of the new department to support it independently of the rest of the business. As previously carried on, the business needed a certain amount of money to properly conduct it, and the new department will require its full share. If new capital is not added, either from accumulated profits or from outside sources, the maturity of new obligations makes too heavy a draft on the original investment and the entire institution suffers, frequently with disastrous results.

An ever-present evil and one with which credit men, especially those representing seasonable lines of merchandise, have to cope, is over-buying; anticipation of an increased demand, the belief that a larger stock will attract a correspondingly larger business, ignorance of the amount of combined purchases, the desire to fill up the shelves and thus give a more prosperous appearance, and the reliance upon the judgment of salesmen, are some of the reasons given for this failing; but there are buyers whose purchases seem to be made for the purpose of satisfying a mania for buying, while not a few are so flattered by a large or unrestricted credit that they cannot resist the temptation to buy to the limit without rhyme or reason.

Almost every merchant tries such an experiment at least once during his career and invariably with the same result. The natural and unavoidable deterioration in the value of goods by removal from original packages and by rehandling and exposure, added to the expense of carriage and care, is a matter of extreme gravity, and when the shrinkage is increased by the loss from forcing sales at big discounts to reduce stock and by the extra expense, sometimes augmented by the employment of high-priced special salesmen, the result is almost a calamity. It would be well for every retail merchant to remember that when stocks are too heavy profits go glimmering, and that the most money is made and retained during the years that stocks are lightest. In the business of every merchant there should be drawn a danger line in relation to both his capital and his stock, above which his liabilities should not be permitted to rise. If his indebtedness is kept within that limit he will not buy in excess of his ability to pay; if he pays, none can criticize his methods, for he can do as he will with his own; but when he strains his capital he abuses his credit—for credit must supply the deficiency of capital—and his creditors then have a right to complain. It is worthy of remark that one whose capital has been earned or accumulated by dint of his own industry appreciates its worth more highly and uses it more carefully, and is consequently a safer credit risk, than one whose capital is either a gift or a loan and represents no personal effort. In good morals one's capital is a trust fund to be handled not only in the interests of himself, but in the interests of his creditors as well.

What I have said on this subject is predicated upon the honest intentions of men, and would be simply so much verbiage as relating to those who buy heavily in anticipation of failure. Yet the practice of over-buying is in itself a device of the devil, an alluring temptation enhanced by some provisions of the Bankruptcy Law and by the practice under it, enticing debtors who have become overstocked and heavily indebted, to shirk the loss that should rightfully be borne by themselves even if at a sacrifice, and force it upon the creditors by blandly offering them the alternative of accepting a compromise settlement at a heavy discount or having the estate administered in bankruptcy at an equal or greater loss.

Credit men should therefore discourage all manner of over-trading, not alone by moral suasion, but also by limiting their credits to conservative lines. It may be argued: "If I don't sell him, some other fellow will," but it will even up in the long run, and what one might lose by his restriction of credit he will gain from the restrictions of others.

In the order of responsibility for failures, incompetence quite naturally follows lack of capital, for the latter is but a specific kind of incompetence, and both relate to the personal qualifications of men.

A merchant in the Northwest, some years ago finding himself with a heavy stock, quiet trade and poor crops, wrote to his largest creditor outlining the situation and asking how to dispose of the goods and otherwise conduct his business. His creditor, who had borne long and patiently with his past due account, wrote: "We manufacture and furnish to the trade on liberal terms the best goods for

the least money possible, but we cannot furnish in addition thereto brains to dispose of them."

This creditor struck the key-note; a business will not run itself. It requires brains—not brilliancy in any particular direction, but a reasonable amount of "horse sense" of the kind necessary to grasp the requirements of business.

One may possess that character of ability that makes a successful farmer and still be a failure as a merchant. Another may have the attributes of a mechanic and be totally unfit for business. A professional career may suit the capacity of still another, and all may be favored with minds superior to that of the merchant, but yet lack some of the qualifications absolutely essential to commercial success.

In the days of the early development of Kansas and Nebraska the apparent requirements of a private bank were a room, a safe, a counter with plate glass or wire upper works and the sign "Bank" in gilt letters on the outside. It was not infrequent that this combination managed somehow to secure from a credulous community a fair line of deposits, but when the day of reckoning came there was nothing left but the shell.

Assuming the conduct of their business and the result of their ventures to be a safe criterion, there are also many men to-day to whom the external equipment of a business, including fixtures, signs, and general arrangement, are of absorbing importance, instead of a secondary consideration, and who expend their time, money and energy in matters of non-essential detail, but fail utterly to grasp the elemental principles of business; and another superficial class are they who engage in commercial pursuits attracted by the prosperity of other merchants, and upon the assumption that success is the natural consequence of store-keeping, look upon business as a light occupation and give it no serious thought or attention, trusting rather to luck for the outcome. Unless the lesson of toil and industry is learned early in their experience or the admonitions of creditors heeded, they are verily of few days and full of trouble.

Now every business needs to be conducted upon some clearly defined plan and should not be allowed to run haphazard. Successful merchandising demands that the expenses be less than the profits, and manufacturing requires that the cost of manufacture and distribution be less than the market value of the product, while every business enterprise should be so financed that obligations can be promptly met and its credit maintained.

These necessities suggest method, not alone in the matter of records, but in regard to all that pertains to the business whether it be goods or machinery, labor or capital. A wrong impression often obtains that system, in order to be of value must be elaborate, whereas simplicity is the chief virtue of every well-devised system. A business without either plan or system, like a ship without chart or compass, struggles along aimlessly, and although it may escape the hidden rocks and shoals and drift into port, it will be in spite of, and not by virtue of, its equipment and management; yet the number of merchants who are doing business without any fixed purpose or policy, and with absolutely no definite knowledge of their financial condition or their present progress, but expecting to succeed somehow and sometime, would make an army of no small magnitude.

Business success demands that one have a well-understood object in view, the means by which it is to be attained, and the continual certainty that what is being done tends to its accomplishment.

His purchases and sales, his profits and expenses, his collections and payments, his advertising, insurance and what not that make up the sum of a merchant's business, furnish a daily indication of its progress; but to keep in close touch therewith involves hard work, persistent attention and constant care. Energy must perforce accompany care, and the absence of industrious application produces the condition of ability gone to seed, than which no spectacle can be more lamentable and at the same time less entitled to commiseration; and why a man will fritter away his golden opportunity by inattention to business, when all he possesses or hopes to acquire may hinge on the issue of his present venture, is an unanswerable enigma.

But so many weaknesses are embraced in the term "Incompetence" that they cannot be touched on within the limits of this address. Scattering purchases, selling without profit, accumulating old stock, divided investments, slovenliness in stock-keeping, are well-known faults in which lurk danger and commercial death. But there is one kind of incompetence that should not be overlooked. Questionable habits exert an influence on a business, the pernicious effects of which, although foreseen by creditors, are seldom, if ever, appreciated by the victim himself. Intemperance and gambling cannot trot in the same harness with business. One might shine as a successful drunkard or gambler, or without these vices might make his mark in the commercial world, but he cannot do both at once. One or the other must suffer and it is invariably the business that goes down. As the fumes of a stale whiskey breath or the betraying earmarks of a debauchee repel the customer from a merchant's counter, so should they also repel the credit man from any dealings with him.

The natural sympathy that is aroused by misfortune occasioned by accident or by circumstances out of the control of the individual surrounds the consideration of "Specific Conditions" as a cause of failure with some perplexity. Industrial disturbances, crop failures, general depression, floods and fires, furnish each their full quota of failures; yet I am not convinced that these are the prime causes in many in-

stances, but are rather contributory factors. True, they are difficulties, but difficulties are to be overcome and not succumbed to. Achievement without effort would have but little worth, and its value depends largely upon the number and quality of difficulties successfully met and surmounted. The formidableness of obstacles is, to a material extent, dependent upon the imagination, appearing to the timid in an exaggerated form, but to the bold as simply something to be vanquished.

Under depressing or unfavorable conditions the weak go down, while the strong, who are in the large majority, stand, warranting the conclusion that the reason for failure rests with the man more often than with the surrounding conditions. We cannot control the elements, nor can we subdue the waves of financial depression or prevent the constant recurrence of labor disturbances; but he is not a good merchant who does not, when he can, provide for such emergencies, and prepare to meet them manfully when they arise. Excepting where the ravages of wind and water have wrecked a business, it is generally found that the failure results from too much credit business, too much unsalable stock, or assets injudiciously scattered. Witness the statements that come to us from localities where crops have failed or mills or mines shut down. I would not be understood as underestimating the influence that local conditions exert upon business, nor as believing that there are no failures resulting directly therefrom; but I do maintain that many a failure chargeable to unfavorable conditions can be avoided if the debtor will keep a stiff backbone and his creditors will possess their souls in patience.

Neglect, speculation, unwise credits, undue competition, and the like, are such causes of failure as need no comment; each suggests its own analysis. But it is not easy to approach the subject of fraudulent failures without bias. The contemplation of their multifarious and nefarious schemes, plottings and treachery, calls for an emphatic expression of opinion from a creditor whose experience has not been entirely free from them. When one plots to defraud, his snares are craftily laid and temptingly baited, and as creditors will continue to be victimized, our philosophy should teach us resignation.

Ten per cent. of the reported failures appear to be fraudulent; but these are *discovered* frauds, and do not include the large number that are so strongly tainted with dishonesty that they smell to heaven, but are so artfully disguised as to find place in a different category.

Many a failure, honest in law, is sullied by artifices that would not stand the test of strict integrity. "Most men are honest," and "All men have their price," although of opposite sentiment, are favorite aphorisms. The former, if measured solely by civil statutes, is undoubtedly correct; but the latter has abundant force if measured by the comprehensive significance of the decalogue.

Now, the practice of honesty, in common with the performance of other virtues, and the indulgence in many vices, is largely a matter of education. People yield naturally to the precept and example of those higher in authority and society. The sentimentalism that has for years been injected into the principles of our government by demagogues, both political and social, has so distorted and transformed the original meaning and actual intent of the doctrine that guarantees us "Life, liberty, and the pursuit of happiness," and the theory that "the world owes every man a living," that we inherit as the ultimate consequence, formidable social and industrial disturbances increasing daily in number and intensity. There is likewise abundant encouragement for commercial dishonesty. Legislatures hesitate to make new or to amend old laws, restricting or regulating commercial transactions in the direction of their moral elevation. The consideration of business measures gives way to politics, and the constituency of the legislator takes precedence over the general public.

Such laws as seem wholesome and sufficient are subject to the caprice of the judiciary, with whom the importance of technicalities of time, place, form or construction, often appears to a layman to be greater than that of justice. The sympathy of the courts is more apt to be with the debtor than with the creditor, and to the average jury the test of veracity and right is inversely the wealth of the litigants.

The idea is current in many quarters that a debt for merchandise is different from a debt of money; that wholesalers and manufacturers expect to lose a certain percentage of their credits, while bankers and money-lenders do not. A distinction is made between fraudulently obtaining or disposing of goods, which is termed "sharp practice," and the embezzlement of money. The criminal arm of the law is active in punishing the latter, but paralyzed in dealing with the former. It is presumed that actions for defalcation are to uphold the dignity of the law and maintain a high moral standard of financial transactions, but that prosecutions for fraud involving goods are attempts to use the machinery of the criminal law for the collection of debts.

With legislators often indifferent to or ignorant of the needs of business, and sometimes actuated by motives that should call the blush of shame to every honest cheek; with courts of diverse and confusing opinions; with juries honest enough in intention, but given to too much charity; with public sentiment tolerant of questionable transactions, and with creditors chary of indulging in hazardous legal experiments, the wonder is, not that fraudulent failures are so numerous, but rather that the practice is not even more extensive than it is.

I have only touched specifically upon the four causes which produce about eighty per cent. of the whole number of failures, and seventy-five per cent. of the liabilities; but every failure has a history peculiar to itself. The fatal weakness is



usually hidden until the post-mortem discloses it, and the variety is so endless that the subject is almost inexhaustible. To state a general proposition, and leaving out of consideration the question of fraud and certain specific conditions, commercial failure is an effect of which the use of unsound business methods is the cause. Therefore, if an improvement of the methods will in like measure restrain the cause, the chances of failure will be correspondingly reduced. That which is faulty in the prosecution of a business is not infrequently so patent that the shadow of the coming event is clearly discernible to the credit man, although unseen by the merchant.

Is the failure always the fault of the debtor? I think not. In my opinion a considerable share of the responsibility rests with the credit men. We are inclined to gloss over unwise business methods, and to permit or encourage excessive purchases and credit for the temporary advantage to ourselves; we are prone to sacrifice principle to expediency, and are too often intolerant of conditions and circumstances that are entitled to charitable construction and should warrant the exercise of patience and liberality. But we are becoming wiser in our day and generation, and are beginning to realize that the solution of many a credit problem lies in the education of credit seekers.

Accidents cannot be averted or unfavorable conditions controlled, and until the hearts and minds of men are laid bare, fraud will continue to masquerade in the guise of virtue; but unsound practices can be amended, methods improved, and menacing evils eradicated, whenever debtor and creditor are willing to co-operate for their mutual advantage.

The relationship of the credit man to his customers should be pre-eminently that of counselor. His finger is continually on the pulse of his trade, sensitive to every throb, and marking every variation. The condition of the account, the correspondence, interviews, comparative property statements, and all that enters into their commercial intercourse furnish him an index to the progress of the business of each individual. With his practical knowledge of business ethics and his close relationship to his customers he is peculiarly fitted for conducting a fruitful campaign of education among them, and it is his duty as well as his rare privilege to admonish, advise and caution them whenever the opportunity offers and the occasion requires, against such errors and evils as are evident, and which his experience with thousands of accounts has fully demonstrated are inimical to commercial success, and can have but an unfavorable ending.

I am not unmindful of the extreme sensitiveness of merchants over their business matters, nor of the delicacy and tact that must be exercised in order to criticize or offer suggestions without giving offense; but the problem is solved when a debtor once understands that it is to the creditor's advantage to keep men in business, and that suggestions from him are for the particular purpose of correcting dangerous practices, thereby improving the general condition of affairs so that the chances of failure will be reduced to the minimum.

If "the strength of the credit man is knowledge," the power of the National Association of Credit Men lies in the fullest exercise of its educational functions by the dissemination of that knowledge. As an organization and as individuals we exert a wide-spread influence upon the fortunes of those to whom we extend credit, and if, instead of many men of many minds, we become as many men of one mind, having firm convictions and also the courage of them, being candid where we invite candor, sincere where we expect sincerity, and honest where we demand honesty, this Association, far above all kindred organizations, will stand as the highest exponent of those principles of business that tend towards building up the moral tone, the mental strength, and the financial structure of commercial enterprise.

(The address was received with great and long-continued applause.)

President—That is sufficient testimony and thanks without my voicing them to Mr. Yale for his very interesting and able paper, but we do thank him with all our hearts.

Mr. Burt, of Buffalo—I want to congratulate the National Association that we have found St. Joseph, and I wish that every credit man of this country may have the opportunity of reading that address, and that it might be printed in pamphlet form so that every merchant might have an opportunity to become educated through the suggestions therein offered.

Mr. E. A. Young, of St. Paul—Our former President, Mr. John Field, is in the hall, and I move that a committee of two be appointed to escort him to the rostrum.

President—It affords me great pleasure to do so. Mr. Field has come here through great tribulations; I appoint Mr. Young and Mr. Biggs to escort Mr. Field to the platform.

(Mr. Field then came forward amid enthusiastic applause, and was escorted to the platform by the committee.)

President—Now, gentlemen, I do not think one of us is ashamed to acknowledge that we have had incentive. The great incentive that we have always had is personal character, integrity in business, and I must say personally as a testimony, that in this work and attending these conventions it is always my pleasure to look up to and take as a pattern the Hon. John Field, of Philadelphia (applause), and with your consent, and I feel that I have it without asking, I wish to give him this gavel for the day, so that he may preside over us. (Great applause.)

(Mr. Field took the chair amid long-continued applause.)

Mr. Field—Mr. President, you certainly take me unawares and by surprise.

I did not for one moment contemplate such an honor as this. To be ushered in here to this meeting and invited so cordially to the platform, and then your President to turn around and throw such responsibilities upon me, I think is hardly fair. I think after the trouble I have had to reach this point you ought at least, Mr. Chairman, to have given me a little time to get my breath. (Laughter.) However, I certainly regard it as really a very high compliment and honor to be tendered the gavel for this afternoon, and I will endeavor to do the best I can.

President—Thank you. (Applause.)

Chairman—The next order of business will be open parliament on matters referring to the affairs of the improvement of the mercantile agency service, and I will ask the Secretary to read the first resolution.

Secretary—The first resolution is as follows:

*Whereas*, The abolishment of post offices and the establishment of Rural Free Delivery Routes seems to warrant immediate changes in the Reference Books issued by commercial agencies, the Milwaukee Association of Credit Men submit the following:

*Resolved*, That mercantile agencies be requested to continue ratings of merchants, traders, etc., under the names of towns (formerly post offices) where such merchants, traders, etc., are located and doing business;

*Resolved*, That commercial agencies be requested, in addition to such information, to show immediately under or following the names of such towns the names of actual post offices, with the notation "R. F. D.," as per example following:

Shipton, Greene Co., (Salina R. F. D.)

Mr. Henry S. Gray, of Louisville—I would like to offer an amendment to that resolution, which is as follows:

*Whereas*, the abolishment of post offices and the establishment of Rural Free Delivery Routes seems to warrant immediate changes in the Reference Books issued by Commercial Agencies, the Louisville Credit Men's Association submit the following:

*Resolved*, that Mercantile Agencies be requested to insert the ratings of merchants, traders, etc., under the names of towns from which the Rural Free Delivery Routes originate, each said Free Delivery Route to be inserted in numerical order after the list of merchants, traders, etc., actually located in said postal town.

*Resolved*, that Commercial Agencies be requested to omit the publication of the names of merchants, traders, etc., at post offices discontinued by the Postal Authorities and insert after the name of such discontinued post office the number of the rural free delivery route by which said town is served and the name of post office from which said rural free delivery route originates thus:—

Simpsonville, Ky.

See Shelbyville, Ky., R. F. D., No. 2.

Shelbyville, Ky.

R. F. D., No. 2.

T. M. Lyons.

Mr. Burt, of Buffalo—I would like to have Mr. Gray explain why he offers that amendment?

Mr. Gray—I believe it would simplify matters very materially to have the names placed as they are located by the Postal Authorities. The merchants will undoubtedly, in the course of time, omit the names of the towns as they are now used and as they are discontinued by the Postal Authorities and will insert on their letter heads in place of the towns at which they are now located, the numbers of the delivery routes and the names of the towns from which they originate. We are receiving letters every day in that manner; and they are discontinuing the names of the towns heretofore used, and where the post offices have been discontinued by the Postal Authorities. If a man sent you a letter with R. F. D. Route No. 2, Shelbyville, Ky., on it (I specify that just because I know that particular town, having a brother-in-law in the vicinity). I say, if he sent you a letter with that address on it, are you going to look at Simpsonville for it? The name has been discontinued; Simpsonville is the old post office and the nearest town by which it can be reached by the railroad; but the letters all have to go to Shelbyville. It is useless to look under Shelbyville, because you won't find it, and unless you have some designation by which you can find them absolutely sure, you will get into trouble over this matter; and I do not think it will be a good thing to put the rating of the men underneath the town where the post office has been abolished by the Postal Authorities.

Mr. Morawetz, of Milwaukee—We desire to continue the identity of the various small villages as they exist, in order to assist us in laying out our routes, to know where our traveling men are to go, and when they reach the various places that they can more easily locate the merchants they are looking for. If a salesman goes to a town of some 5,000 or 6,000 inhabitants in the neighborhood of which is one of these abolished post offices, and he looks for this merchant in that town, he might spend very valuable time uselessly, while if the old town is continued as heretofore, there would be no difficulty whatever; there would be only the trouble of knowing where a letter is to be addressed to. Now, then, if under the heading

of a town be added the Rural Free Delivery Route, I think that all those difficulties will be abolished.

Another matter which the gentleman referred to is the numbering of the routes. As I understand it, this present system of rural delivery is rather new, and routes are continually being changed. That proposition might be useful several years from now, but at present I do not think it would be practicable. Every few months a town or a person is changed from one route to another; so that while the reference books may have his rural free delivery route to-day, the following week they would not have it right.

Chairman—As I understand it, the resolution was offered here from the Milwaukee Association, and subsequently by Mr. Gray an amendment was offered, and I mention this so that the status of the whole subject may be brought before you.

Mr. Charles G. Rapp, of Philadelphia—As Chairman of this Committee I can possibly explain the difficulty that both of these gentlemen seem to have encountered. In the first place, if you will carefully read over the report of the Committee you will find that R. G. Dun & Co. have already incorporated these suggestions in their system. I have evidence here that they have issued a circular to all their agency managers instructing them hereafter to prepare their reports for the printed book just according to this suggestion here; so that I hardly think this resolution is necessary, except as it might pertain to another agency. It does not specify whether it is intended for all, or only for those that have not yet instructed their representatives to incorporate it.

The Bradstreet Company have also been approached on this subject, and they tell me that they will continue to publish the names under the original town heading, whether the post office has been abolished or not, so that if a letter is received bearing the heading of a town which was formerly a post office, the party can be found rated under that town heading irrespective of the name of the distributing post office or the route, from which he gets his mail. They explain their system in this way: They gave me as an instance the town of Westminster, Maryland, which is a large distributing center of the rural mail service; and to answer this gentleman's amendment I want to say that I think there are 24 towns served by the rural mail delivery from Westminster, Maryland—one town is twenty-six miles away, and in that town, Manchester, are reported the names of thirty-six traders. You can all readily understand if that town heading is abolished, and some one would get an order from that town of Manchester, Maryland, it would seem almost incredible to look for the rating under a distributing point twenty-six miles away. For that reason they would not change their system.

It might be well to offer a resolution requesting the Bradstreet Company to incorporate the system in their book that is being incorporated in the reference book of R. G. Dun & Company. It covers the case, and will also cover the contingency that might arise because of the countless changes of the Rural Free Delivery system, which are going on all the time.

I have a case here of a customer of our house who has omitted all reference to his former post office on his letter-head, and put his address down at the town from which he is served, eight miles away. As has been suggested in the report of the Committee if your customers were instructed not only to use the distributing post office, but also the town in which they are located, and under which they will be reported, the whole thing will be covered satisfactorily, because under any circumstances the ratings can be found there.

The Post Office Department also assures me that whether a letter is addressed to the distributing post office or to the town which was formerly a post office, and which has been abolished, the mail matter will be delivered.

I have received a communication from the Post Office Department, from the First Assistant Postmaster General, who says:

"In compliance with your inquiry of recent date I have to inform you that when a rural post office is abolished and service of patrons included in another district, the post office is responsible for the proper delivery of all mail matter which comes addressed to the discontinued post office. Postal employees and railway mail clerks are duly informed that all such mail should go to the office from which the rural route serving the district emanates. For instance, if the post office at Elsmere were discontinued for the reason that all its patrons could be served by rural carrier from Cashmere, the railway post office and others who have to handle the matter will be duly instructed that all matter directed to Elsmere must be sent to Cashmere, and the Postmaster at the latter office will be instructed to turn such matter over to the rural carrier who serves the district in which the discontinued office is located, and effect a delivery if possible."

I should be glad to answer any questions that may be asked me.

Mr. C. B. Nordeman, of Louisville—Take the case pointed out where the distribution is made from Westminster, Maryland, and the former post office town was Manchester, and they are twenty-six miles apart. Suppose we should get a letter with merely the address on it "Westminster" F. D. Route, so and so, without bearing the name of the town of Manchester at all. Under the resolution before us we could only refer to merchants under the heading of the town of Manchester. It would specify, of course, Rural Free Delivery so and so, but we do not know what that is. So it would appear in the agency books both under the name of Manchester and under the Free Delivery Route of Westminster. We proposed by our resolution

to lessen the work of the agency by printing the names in duplicate, but as a matter of reference they must give us the distributing point Westminster, and also give us the name of the town of Manchester; so in case a letter comes by way of Manchester we can locate it. Under the resolution you have only one way to locate it, and that is under Manchester. Of course, the Government employees and those interested would know the proper point of distribution, but suppose the letter comes to us headed "Westminster Free Delivery Route No. 2," we do not know that that is the old post office town of Manchester; that is what we are seeking to cover, so that whichever way the letter comes we can turn to the book and find out where we are at.

Mr. M. C. Badger, of Minneapolis—I wish to second the amendment.

Chairman—I am much obliged to you; I forgot that the amendment had not been seconded.

Mr. J. M. Gregory, Kansas City—Relative to this matter, it is one which will cause the agencies a great deal of trouble and ought to be very carefully considered. The report of the Postmaster-General there shows very conclusively that mail addressed to the town where the party is located will reach him. Now if that is so, why is it necessary to cumber the agency books with additional matter? Those rural routes are being changed almost every day. Now you take any of the towns in the Indian Territory or Western Kansas, a man is, say, in Salina County; the name of that town is located; it is known to every traveling man, to every wholesale house. Now, they discontinue that post office there; but it is not necessary for you to change your post office address in your ledger. Continue to address your letters to that town, and they reach your correspondent just as promptly as though made out with the Rural Free Delivery address on the letter. These districts are discontinued one day and re-established the next, and they are constantly changed, and the resolution introduced by Mr. Nordeman, of Louisville, would necessitate the printing of the names of those merchants twice in the reference book, and would increase the size of the book from 10 to 20 per cent., would be an enormous expense to the agencies, making the books more cumbersome, and would not result in any good. The agencies, I believe, can be relied upon to watch those things closely, to find out which is the best way to handle them, and the easiest way to handle them for their customers. They are looking out for the interest of their customers all the time, and want to find out what you want, and see what is the best way to give you what you want. It has caused us a great deal of trouble and we have watched the matter very closely, and we are endeavoring to make that improvement; but the way that is now handled, for the present, at least, is certainly the best; and that is to continue printing those names under the old towns, and your mail, no matter how addressed, will reach its destination just as promptly as though you addressed it to the town which is the distributing center of the special free delivery district.

Mr. Nordeman, of Louisville—Suppose you got an order from Westminster, Maryland, Rural Free Delivery Route No. 1; under that kind of an arrangement where would you look in the agency book for the rating?

Mr. Gregory—The merchants should continue the names of their old towns on their letter heads.

Mr. Nordeman—They don't do it.

Mr. Gregory—Wait a minute—I am answering your question—99 per cent. of them will continue those names on their letter heads; they will not generally change the name of their town and put on the name of the rural route town. Address your letter to Manchester and they will deliver it there. If your railroad town is one and your post office town is another, and you address your letters to one town and bill your freight to another, you will cause complications and trouble; and it would be better to let the name of the old town stand until the system of rural free delivery is better understood and settled.

Mr. Evans, of Philadelphia—In listening to these arguments it seems to me that the difficulty arises more from the merchants than from the treatment of this question by the agencies. The agencies are trying, evidently, to arrange matters so that you can locate your customer; but the customer, finding his mail comes from a certain point, puts that name on his letter head, instead of his own town; and that is the initial point; and our resolution should be addressed to the customer and not to the agency, and we should start a campaign of education, you might say, towards having our customers print on their letter heads the names of their towns, and have the agencies rate them in their towns. It is the only sensible way to do, and while the suggestion made by Mr. Gray, of Louisville, is eminently proper, I think it would be very difficult for the agencies to carry it out because of the immense work involved, owing to these constant changes. If a man when he had his rural free delivery route received a certain permanent number, it would be easy, though it would involve more work to commence with, but as these changes are going on constantly, the agency might issue a book with Free Delivery Route No. 2 on it, and in a week it might be No. 10—the mail may come up from another town. But if that customer kept his own original town name on his letter head, every time you got a letter it would be all right, and if you got a letter from a man which did not have the name of his actual town in it, it would be a good plan to have a printed form to send him, to explain why this course was leading to confusion; and in this way the trouble might be obviated in the course of time. It will take time to have that



idea penetrate all their minds, maybe, but it is the only way you can do it; and no matter what resolutions we may offer here to-day it would not materially affect the subject. We have got to adopt some method by which we can show the merchants that it is necessary to keep their own town name at the head of their letter paper.

John C. Boss, of Chicago—It seems to me we are trying to cross the bridge before we come to it, and that we can with perfect discretion leave this entire question to the good sense and experience of the commercial agencies, and, therefore, I call for the question.

Mr. A. W. Rich, of Milwaukee—I believe that something of an explanation is due on behalf of the Milwaukee Committee, and in order to set the Milwaukee Association right I will say that we understood perfectly what was suggested and what was adopted by the Dun Mercantile Agency, and one of the reasons why this resolution is offered here, is to prevent confusion and to establish uniformity among the reporting associations, of which there are a number besides Dun and Bradstreet; and whatever course is pursued ought to be adopted by all of them; and I agree heartily with the gentleman who said we ought to let the merchants know this and educate them to that point; but I think whatever is adopted to-day ought to be recommended and known to the Association; that this is the sentiment of the Credit Men's Association; and I believe that the different reporting agencies will be guided by that; and for that reason we have adopted practically the plan as proposed by R. G. Dun & Company.

Mr. S. G. Rosson, of Cincinnati—We are really talking about another man's business. The agencies have been in this business for years. It is to their interest to adopt systems and books that are for our most convenient use, and we have representatives of the agencies here, as I understand, and for my own part I would like that the gentlemen representing the Dun and Bradstreet Companies be asked to be heard from.

Mr. W. S. Hughes, of Minneapolis—I desire to offer the following resolution:  
*Resolved*, that the commercial agencies be requested to regulate the insertion of names of traders in towns upon Rural Free Delivery routes, in accordance with the development of the Rural Free Delivery system, to the end that the residences of parties in business upon these routes may be quickly located.

They are certainly striving to get their books in the most convenient form for the use of Credit Men.

Seconded.

Mr. Geo. M. Thomas, of Nashville—The resolution seems to be rather vague in the idea that there will be no uniformity on the part of the agencies in locating and arranging this matter so that these towns can be readily located. That is, we might look in Dun and find it in one, and in Bradstreet or the International Agency in two different ways entirely.

Chairman—As I understand this resolution it embodies a general principle, submitting the whole matter where I suppose we will finally have to submit it, to the agencies. Allow the Chair to remark that the agencies are as much interested in this as we are. They must adopt the best system that will meet the views of the merchants, and I believe that they will do that. However, this is before you now for your action. It is seconded.

All in favor of the last substitute will please say Aye.

Carried by nearly unanimous vote.

President—Is the minority satisfied. (Great laughter and applause.)

Chairman—The next subject that we will take up is open parliament on matters referring to the affairs of the Legislative Committee.

The Secretary will please read the first resolution.

The Secretary then read the following resolution:

"Whereas, The efforts of the Association through its local branches to secure legislation for the regulation of the sales of stocks of goods in bulk have met with gratifying success during the present year, making the number of bulk laws in existence at this time sixteen; therefore be it

*Resolved*, That the Legislative Committee be instructed to continue its labors in this direction, and that special care be observed in causing the early introduction of bulk bills in the Legislatures of the States where no laws upon this subject exist."

Motion made, seconded and unanimously carried adopting the resolution.

The Secretary then read the following resolution:

"Resolved, That the National Office be instructed to prepare a pamphlet containing copies of all the laws for the regulation of sales of stocks of goods in bulk now in existence; copies of the decisions of courts of last resort as to the constitutionality of these laws; leading arguments in behalf of legislation of this character; and all other data pertaining to the subject, which in the judgment of the National Office should be inserted; be it also

*Resolved*, That these pamphlets be sold at cost price to the local associations, and that the latter be urged to distribute them among their entire membership in order that proper interest in this subject may be thoroughly stimulated."

Motion made, seconded and unanimously carried adopting the resolution.

The Secretary then read the following resolution:

*Resolved*, That the Legislative Committee be instructed to consider the advisability of securing Federal legislation which will make the sending of false state-

ments through the mails for the purpose of obtaining credit a punishable offense against the postal laws, and that the Committee be given full power to act in this matter."

Motion made, seconded and unanimously carried adopting the resolution.

The Secretary then read the following resolution:

*Whereas*, There is a great diversity in the Exemption Laws of the several States, for which no sufficient reason is apparent; and

*Whereas*, Many of the laws now in existence were framed to meet the requirements of rural communities, or to suit conditions of former years, and are wholly unsuited to the conditions existing in the same commonwealths now; and

*Whereas*, There is a resultant diversity in the construction placed upon these various statutes by the courts as to the application, purpose, enforcement and scope thereof; and

*Whereas*, This situation gives rise to inequalities in the several States; the laws in some cases being so narrow as not sufficiently to protect the families of unfortunate, or improvident debtors, and in other cases so broad as to make it possible for comparatively well-to-do debtors to dishonestly repudiate just obligations; and

*Whereas*, It would be beneficial alike to the debtor and to the creditor classes to have a system of Exemption Laws which would be as nearly uniform as the conditions now existing in the different sections of this country would permit, and which would protect from want and penury those who are in need of such protection without needlessly obstructing justice; now, therefore, be it

*Resolved*, By the National Association of Credit Men in Convention assembled, That the Legislative Committee be requested to make inquiry into the nature of the Exemption Laws now in force in the several States, and to compare these laws and their workings, with a view to ascertaining which statutes most equitably serve the purpose for which they were designed; and that said committee be requested to make a report to this Association at its next annual Convention, in which report the results of its investigations shall be set forth; pointing out in such report the particular imperfections and shortcomings, as well as the wise and strong features, of the several laws; and that said Committee draft a law governing exemptions, or several laws, as may to them seem best, uniform in the general scope thereof, with only such variations as may appear to be imperatively demanded by the divers conditions existing in the several States or sections; and be it further

*Resolved*, That the report of said Committee, when adopted by this Association, be printed; and that the Legislatures of the several States be memorialized, by presenting to them copies of said printed report, together with the recommendations of said Committee, and a petition asking their affirmative action relative thereto; and be it further

*Resolved*, That this Association and its individual members, by all honorable means in their power, awaken public sentiment upon this question, to the end that wiser, more equitable and more uniform laws respecting exemptions shall be placed upon the statute books of the several States."

Secretary—This resolution was prepared and is submitted by the Chicago Credit Men's Association.

Motion made, seconded and unanimously carried adopting the resolution as read.

The Secretary then read the following resolution:

*Whereas*, It is fully recognized that whatever affects the prosperity of the retail merchant, either adversely or otherwise, is directly felt by the manufacturer or wholesaler; and

*Whereas*, For the foregoing reason it is unquestionably to the advantage of the members of the National Association of Credit Men, and clearly within the province of their organization to co-operate in all movements which have for their object the betterment of trade conditions surrounding the retail dealer; and

*Whereas*, The retailers of our country are suffering an annual loss almost beyond computation from irresponsible consumers who obtain from them on credit the necessities of life; and

*Whereas*, In order to enforce the collection of such debts for necessities it is apparent that the retail dealer should be able to garnishee the wages, interest or income of such a debtor under a fair and equitable garnishment law, not necessarily stringent or oppressive; and

*Whereas*, His ability to do so by a simple and inexpensive method would be a distinct advantage to the merchant class generally; therefore be it

*Resolved*, That the National Association of Credit Men in Convention assembled, endorses the garnishment principle, and declares in favor of its incorporation into the laws of each State, and recommends that all local associations co-operate in every possible manner wherever laws of this nature, or amendments thereto, are pending, and that the National Secretary be also authorized to lend his influence and co-operation to all consistent efforts in this direction."

Motion was then made and seconded that the resolution be adopted.

Mr. McKee, of Philadelphia—I think that resolution, being special legislation, would not be constitutional. It is in favor of a special class.

Mr. Gray, of St. Louis—The gentleman says that that class of legislation is unconstitutional as it refers to a particular class. In our manufacturing concern we have a large number of laboring men working for us, and we are constantly brought

in touch with this garnishment law of Kentucky. We have a law on the statute books of this State which allows the garnishment of a man's wages for the actual necessities of life. If the retail merchant supplies any of our laboring men with the actual necessities—not the luxuries, not liquor, cigars, or anything of that kind, but the actual necessities of life—he can garnishee, wherever the man's wages do not amount to \$50 a month; and it seems to me that the retail merchant should be protected in some manner. They are almost bound to extend credit to the laboring classes, and as wholesalers and jobbers, it is undoubtedly to our interest to enable them to collect those just debts. If a man is selling to the head of a household such articles as are not absolutely requisite for the maintenance of his family, then that man should take the chance of loss by reason of his indiscretion; but where in the spirit of fairness and humanity he is willing to take a little risk and to sell goods to the laboring classes from week's end to week's end, taking his chances on collecting the money on Saturday night, and through some inadvertence or through some fault to which he is not amenable, the man should lose his money, have it stolen from him or squander it, then it looks right and proper that that retail merchant should at any rate be protected in collecting his just debts, and I move the adoption of the resolution.

Mr. Boss, of Chicago—It strikes me that this resolution which has just been read would really be covered by the resolution in respect to exemptions. The laws of the different States, so far as they affect garnishment, are very nearly uniform, except as they are affected by local laws, and if we properly regulate exemptions the garnishment of debtors' wages will practically be uniformly covered in any event.

Mr. Burt, of Buffalo—We have a law on the statute books of the State of New York where a man drawing \$20 a week is subject to the garnishment of his wages to the amount of \$2 per week—I believe that is it.

Mr. Burt—No two creditors can attach the wages of that man at one time. The first creditor must have his bill satisfied and then the second creditor can attach. The law is so equitable and just as against the debtor that it cannot burden him with a hardship. I think the mistake made by our legislature is that they made the wages too high—\$20 a week. What we wanted in our State was \$12 a week. I believe that a man earning \$12 a week should be compelled to set aside at least \$2 a week. The purpose is to do away with the laboring and idle deadbeat, and it is largely the moral effect that this law has over these laboring and idle deadbeats, that they know that if they are to continue their inroads upon one merchant to the extent of the limit of their credit there, drop him like a hot potato and go to another, that they can be stopped; and when the law steps in and commands them to call a halt, I believe that the moral effect of these laws is very beneficial.

Mr. R. McF. Smith, of Cincinnati—Ohio has a law allowing 10 per cent. garnishment on weekly wages. We have those garnishees served on us very frequently, amounting to 10 per cent. per week, until the debt is paid.

Mr. F. W. Yale, of St. Joseph, Mo.—I do not think the association should touch this matter. We are only indirectly and remotely interested in it, and should confine our attention to matters in which we are directly interested; and I believe that this will all be covered by the subject of exemption laws. We are going through another factor before we become interested in this subject, and I do not believe it is a proper subject for action by this Convention. (Applause.)

Mr. S. J. Whitlock, of Chicago—I move that the question be laid on the table. Seconded.

Carried by a vote of 83 to 14.

The Secretary then read the following resolution:

*Resolved*, That it shall be the duty of the local associations and of the State Vice-Presidents in the States where no local associations exist, to promptly advise the National Office in respect to all legislation having a bearing upon commercial interests, introduced in their respective Legislatures, and that this information be conspicuously noted in the MONTHLY BULLETIN, in order that our members and merchants generally may be enabled to exercise their influence in behalf of needed legislation in localities outside of their own communities; be it also

*Resolved*, That there shall appear in the MONTHLY BULLETIN at the proper seasons, due notice as to the meetings of the different Legislatures, and the duration of their respective sessions."

Motion made, seconded and unanimously carried adopting the resolution.

The Secretary then read the following resolution:

*Resolved*, That the National Association of Credit Men in Convention assembled expresses its cordial approval of the efforts made in the last Congress providing for the reorganization of the Consular Service as defined in the 'Lodge Bill,' and its regret at the failure of Congress to take favorable action upon that measure; and be it further

*Resolved*, That we heartily approve the reintroduction of the 'Lodge Bill' in the Fifty-eighth Congress, and that the officers of this association be requested to memorialize the Senate and the House of Representatives in behalf of this legislation."

Motion was made, seconded and unanimously carried adopting the resolution.

Mr. Burt, of Buffalo—Gentlemen, I do not believe that you appreciate or understand exactly the step you took in voting down that resolution.

President—I will have to rule you out of order if you desire to discuss that.

Mr. Burt—I ask unanimous consent.

(Objection was made.)

Mr. Burt—I will move to take it from the table.

The point of order was made that Mr. Burt had not voted in the negative, and could not, therefore, make a motion to take it from the table.

President—The gentleman can take it up with the Committee on Resolutions if he so desires, but it is evident what the sentiment is.

The next order of business will be the report of the Auditing Committee.

Mr. Moody—The Auditing Committee desires to present the following report:

Mr. Chairman and Gentlemen of the Convention, we beg to report that we have examined the record of the receipts and all vouchers for disbursements, both in the General Fund and the Trust Fund, in the Office of the Secretary-Treasurer of this Association.

We find the records all correct, all vouchers properly issued and endorsed, and find a balance in the bank to the credit of the general fund of \$425.27, and to the credit of the trust fund of \$6,705.11, as evidenced by certified statement from the Fourth National Bank of New York.

We find the books to be kept in a neat, concise and perfectly competent manner, and heartily commend the plain and systematic keeping of all records.

We find in our examination, that it has been occasionally necessary for the Secretary-Treasurer to personally advance funds to defray general expenses of the central office. We do not think that he should be called upon to bear this burden, and recommend that the Executive Committee take under consideration the advisability of making the necessary changes to obviate this necessity in the future.

W. I. MOODY,  
RALPH R. GILLETTE,  
H. L. SPERRY.

Motion made that the report be received, placed on file and adopted.

Motion seconded, unanimously carried and so ordered.

President—The next order of business will be the report of the Committee on Nominations, Mr. Young, chairman.

Mr. Kadeski, of Quincy, moved to reconsider the vote regarding the exemption resolution and said: That was tabled and I voted in the affirmative.

Motion seconded.

Motion lost.

The suggestion was made by Mr. Evans, of Philadelphia, that the corpse be buried without further delay. (Laughter.)

Chairman—We are favored with the presence of a former Governor of this State, Hon. T. T. Crittenden, and it affords me great pleasure to introduce him to you all, and he will no doubt favor us with some remarks. (Great applause.)

Governor T. T. Crittenden—Mr. President and Gentlemen of the Convention: I once heard a very distinguished man, in fact one of the ablest Presbyterian preachers I have ever known in my life, say, "Never do yourself what you can get another to do for you." I have followed that rule or axiom the greater part of my life. (Laughter.) Already you have heard from the present governor of the State, who spoke wisely and thoughtfully to you yesterday, and I think it would be a matter of entire supererogation for me to undertake to say anything to you.

Gentlemen, I have attended many and various conventions, more political than otherwise (laughter), but I must say that since I have commenced reforming in the latter part of my life (as my wife says, when I cannot help myself) (laughter), I have joined, to a certain extent, your body or your convention, and I must say and I say it frankly, without the hope of reward or the fear of punishment (laughter) that I have never belonged to any association, to any party, or any church that has done me more good than being with this Convention of Credit Men of the United States. (Great applause.) I say frankly to you again, I have seen more good sense in this convention and less foolishness than in any convention which I have ever attended. (Great applause.) If I were an aspirant for office, I would, Mr. President, say these things, but these gray hairs that show that I am nearer the Wayside Inn than many of you, indicate that my day of ambition is over, and I am not here to flatter Caesar with any hope of reward. I am speaking the honest sentiments of an honest heart.

Now, I desire to make this further remark. Never do anything for yourself that you can get somebody else to do for you. (Laughter.) Gentlemen, you are in St. Louis, one of the great cities of this Union, the place that I landed in, an unknown boy, 47 years ago. I have lived in this State continuously from that time to this: I have seen it go upward, and I have seen it go down; I have seen it pass through all of its struggles, political and financial, within that time. I never have seen the day that I would have left this State to go to any other, unless it be to that God-blessed old Kentucky (loud applause) where I was born and where all of my people sleep on until the judgment day; and after you have been received, Mr. President, by the citizens of St. Louis (and a better class of people never lived,



a more honorable set of merchants never did business of any character), I say after you have been received by them and treated by them so generously, what more can be said by an old individual who is reaching his latter end very rapidly? They have extended to you a hospitality that is worthy of the great State; they not only have done it because it is an innate feeling within their own hearts, but they have done it anticipating the future, the great exposition that is to come, and they want the unanimous voice and sentiment of this great convention of yours to be heard throughout the whole United States. (Great applause.)

I do not think there has ever been any nation of people where there has been really more wisdom than in the United States. I do not think there has been any class of people under the sun where there has been more common sense than there is in the United States.

A gentleman said to me yesterday: "What is going to be the result of this great contention between capital and labor in the United States?" I said to him, "I am unable to say myself, but the common sense of the American people will settle that whenever it comes to the point of trouble." (Great and continued applause.) I do not believe whenever the leaders will look at it practically that there is any contention between those two great powers. Gentlemen, I am a Democrat, an out and out Democrat, a war Democrat (applause). I served three years during the war, from the State of Missouri, where you could not get into the United States Army from the county in which I lived unless you left between two days (applause and cries of "Good! Good!"). I heard every word that was uttered by the President of the United States at Kansas City, Missouri, on the 1st day of May last. I sat in with the old veterans who fought for the old flag, and sat side by side with the Confederate soldiers who had fought against us (but they were foemen worthy of our steel) (applause), and there was not a single word uttered by the President of the United States in that great speech of his at Kansas City, to 15,000 seated people, that we did not endorse from beginning to end (continued applause). I would not have crossed a "t" nor dotted an "i" for fear of doing injustice to that great speech. We were Americans over and above Democrats or Republicans (voices: "Hear! Hear!" and tremendous cheering), and there was not a man who sat there as a Confederate soldier, who did not rejoice at the utterances of our great President and who did not feel safe under the stars and stripes of our common country. (Cries of "Good! Good!" and loud applause.)

Gentlemen, I am not a commercial man; I never had the sense to be, nor money enough to be (laughter), but my comrades from Kansas City invited me to attend your meetings not only here but at Louisville, and when the invitation is given I as readily accept it; and I have appeared before you from the great flooded district of Kansas City.

Let me say to you, gentlemen, we have been surrounded by water as thickly as the soldiers were surrounded during the Crimean War, as described by Tennyson:

"Cannon to right of them,  
Cannon to left of them,  
Cannon in front of them,  
Volley'd and thunder'd."

And so we had water all around us; but when we knew that this Convention was coming we determined that we would come if we had to build a Noah's ark and float down upon it. (Great applause.)

Kansas City is always to the front. We blow our own horns, gentlemen (laughter). For, as Dr. Sangrado said, "if you do not blow your own horn it won't be blown." (Laughter.)

We have been, during this immense flood, cut off from every direction. We had no car lines, we had no waterworks, we had no transportation, we had nothing of the common facilities such as you have at your homes. Those of us who are fortunate enough to have cisterns supply our neighbors with all the water that they want, and where there are other deprivations we have invited our people to enjoy our hospitality, such as it is. (Applause.) Gentlemen, our waters reach 200 miles to the rear of us—from Kansas City, Missouri, to Salina, Kansas—one continuous flood flowing over the beautiful plains of Kansas, down through the Kaw into the Missouri River, which floods us in the rear. The river is six miles wide north of us; west of us that low bottom is flooded with water, and it stood six feet deep in our Union Depot. To the east of us everything was wiped out. We had 25,000 homeless men, women and children thrown upon our hands, with transportation cut off from us; and it was beginning to be a serious question where we would get the necessary food and clothing for those people; but our people stood together as one man, and not a drunken man did I see on the streets of Kansas City during that time. Our Mayor and the militia and the police came to the front, closed every saloon as hermetically as a bottle could be closed; hence we had order, peace, human kindness and a beautiful expression upon the face of every brother. (Great applause.) So whenever we speak of Kansas City, do not smile at us; we have passed through the flood. Since I have been a citizen of Missouri I have passed through the grasshopper war, which was the most terrible thing I ever saw; in the western part of the State, where everything was absolutely devastated, even the very car-

pets were eaten from the floors of our residences. I have passed through the War of the Rebellion; I have passed through great storms and cyclones, when houses were wavering backward and forward like limbs in the breezes; I have passed through this great flood; and still Kansas City stands upon a hill and thanks God that it is independent of everybody. When it comes to helping its own people it stands out and everybody opens his heart and door. (Applause.)

The only fear that I had was that my wife would give away all the clothing I had. She loaded two wagons, and when I called for my dress suit to bring down here the other day, "Why," she said, "you have no dress suit; that is given out to the flood sufferers." (Great laughter.)

Now, gentlemen, I am very much obliged to you for this personal invitation. I have spoken to you as a Missourian, I have spoken to you as a Kentuckian, I have spoken to you as an American citizen, and wherever you are I expect, if I am alive, to join you every year, if I can get there (applause); and as long as the treasury of Kansas City is full I expect to be transported to that place. (Great and long-continued applause.)

Mr. McKee, of Philadelphia—I ask a personal privilege and honor; I wish to name ex-Governor T. T. Crittenden, of Missouri, a Missourian, Kentuckian, and greatest of all, a great American citizen, as an honorary life member of the National Association of Credit Men. (Great applause.)

Mr. Charles Biggs, of New York City—I desire to second that motion.

Chairman—I am glad to see Philadelphia and New York united.

The motion was put and carried unanimously amid great enthusiasm by a rising vote.

Governor Crittenden—I desire to thank Mr. McKee, of Philadelphia, and Mr. Biggs, of New York, and this Convention for the honors heaped upon me. I am willing now to return home, for I can say to my wife that the greatest honor has come to me at the latter part of my life. (Enthusiastic and long-continued cheering.)

President—We will now take up the order of business already referred to; Mr. Young will kindly present the report of the Committee on Nominations.

Mr. Young—Your Committee offer the following names, from which four are to be selected as directors for three years:

- A. H. Foote, St. Louis, Mo.;
- C. D. Griffith, Denver, Col.;
- R. McF. Smith, Cincinnati, O.;
- H. M. Oberndorfer, Milwaukee, Wis.;
- C. N. Robinson, Omaha, Neb.;
- T. M. Terry, Lynchburg, Va.;
- D. H. Kirkland, Atlanta, Ga.

Report unanimously accepted.

Mr. Evans—I move that the Convention adjourn for ten minutes in order that the matter of nominations for President and Vice-President may be considered, and when we are called together the nominations may take place.

Seconded and unanimously carried.

(Recess taken and Convention reconvened.)

President—The next order of business will be nominations for President and Vice-President.

Mr. W. A. Given, of Pittsburg—Mr. Chairman and Gentlemen of the Convention: I wish on this occasion that I had the powers of oratory. Unfortunately I have not; but I come from a great city, the city of Pittsburg. Pittsburg knows, or is credited with knowing, when she sees a good thing. Pittsburg feels satisfied with present conditions; she does not want any change. Therefore, gentlemen, it gives me great pleasure to nominate for the office of President of the National Association of Credit Men Mr. J. Harry Tregoe, of Baltimore. (Vociferous and long-continued applause.)

Mr. F. M. Gettys, of Louisville—I come from a great city, too; I come from Louisville, and am very proud of it. (Voices: "What's the matter with Louisville? What's the matter with Louisville?") I want to say some nice things about Tregoe if he will leave the room. Kentucky and Louisville like the administration we have had, and we want Tregoe to build another year on this great, granite structure that he has added to. We want some more of his work. We think that he is a great physician and a remarkable success as an administerer of sugar-coated pills of excellent medicinal quality. (Applause and laughter.) Referring to the sugar-coated pills: We liked the message yesterday; it did not abound in bombastic phrases that did not mean anything; he put his hand on the pulse of the patient and told us what was the matter. This is more than a pleasure for me in behalf of Louisville to second this nomination—it is a delight—and I feel that the thing is already settled. (Great applause.)

Mr. George B. Pulfer, of Detroit—Michigan is another good State. We have almost as much water around Michigan as you have around the State of Missouri at present (laughter), but we do not need any water for the kind of stock that has been presented for our consideration to-day. (Great applause and laughter.)

On behalf of the State of Michigan, and for myself personally, I most cordially endorse and second the nomination of Mr. J. Harry Tregoe for the Presidency.

Mr. J. W. Apperson, of Memphis—Gentlemen, the metropolis of the South

(great applause) seconds the nomination of Tregoe. We are denizens of Tennessee—we are not from Missouri—we do not have to be shown—we know! And we know a good thing when we see it. (Great applause and laughter.)

Mr. W. H. Brizendine, of St. Louis—I come from the largest and most central city of the great Southwest. Our delegation has considered this matter, and we feel that we are well satisfied with the administration during the past year, and are unanimous in seconding the nomination of Mr. Tregoe for President for the coming year and I take great pleasure in seconding the nomination for Missouri, St. Louis and myself.

Mr. McAdow of Chicago—I know nothing else to claim except that I have the pleasure of representing the most modest city in the United States (great laughter), and with our usual becoming modesty, and yet with all the force of the Chicago delegation we want to second the nomination of Tregoe.

Mr. C. L. Bird, of Boston—On behalf of the Boston delegation and also of the culture and refinement and education of the country (cheers and a cry, "What's the matter with beans")?

Mr. Bird—(continuing)—and on behalf of the renowned fish-balls, clams and beans, I take great pleasure in seconding the nomination of Mr. J. Harry Tregoe for the presidency. (Applause.)

Mr. W. O. Munsell, of Portland, Oregon—On behalf of the Northwest which I have the honor of representing, I desire to second the nomination of Mr. J. Harry Tregoe, and hope that his election will prove as unanimous as his great efficiency as president deserves.

Mr. Foster, of New Orleans—Inasmuch as the metropolis of the South has spoken, it therefore seems unbecoming for a representative of the smallest village south of Mason and Dixon's line, the quaint town of crawfish, hanging moss and Creole beauties, to utter a word; and to close this enthusiastic discussion on behalf of one of the most delightful presiding officers I have ever known, I move that nominations be closed with three cheers and a tiger for President Tregoe.

Mr. Burt, of Buffalo—Wait a minute—we are not through yet. On behalf of the most beautiful city on the map, Buffalo, I wish to second the nomination of Mr. J. Harry Tregoe for the presidency.

Mr. T. M. Terry, of Lynchburg—We come from a tobacco country, and besides that we have the largest shoe business in the world, except St. Louis. In my town it is *lese majeste* to say anything against tobacco, shoes or President Tregoe, and we do not want to see anybody else president of this Association for a long time to come. I therefore second the nomination.

Mr. W. E. Rice, of Cleveland—I am from Cleveland, the political center of the Universe, and wish to second the nomination of J. Harry Tregoe for the presidency.

Mr. George M. Thomas, of Nashville—On behalf of the Nashville delegation I wish to second the nomination of President Tregoe.

Mr. Timberman, of Cincinnati—On behalf of the Crescent City of the West, I wish to second the nomination of President Tregoe.

Mr. Hughes, of Minneapolis—On behalf of the most virtuous and most beautiful city of all the country, Minneapolis seconds the nomination.

Mr. Rich, of Milwaukee—I am surprised to find so many gentlemen here that have evidently not been in Milwaukee (laughter), the Cream City of the West, wherein is made the stuff that exhilarates, but does not intoxicate. I heartily endorse the nomination of the President, and trust that he will be unanimously re-elected for the honored position which he has occupied.

Chairman—I would pity his opponent.

Mr. E. A. Clifford, of Denver—You have not heard from God's country—Colorado seconds the nomination.

Mr. Evans, of Philadelphia—Philadelphia has waited until everybody else got through, so that the illusion about its being the slowest city in the Universe should not be destroyed. (Great applause and laughter.) It was at Philadelphia that we saw the birth of American independence. The cities of which these gentlemen have spoken would never have existed if it had not been for Philadelphia (laughter). Philadelphia, while slow, generally catches the train as it moves out, but will always be found on board. We second the nomination of President Tregoe; we had nobody else in mind. We would have spoken first, but for our well-known modesty, which is always with us. (Applause.)

Mr. Foster, of New Orleans—I move that the nomination of Mr. Tregoe be made unanimous.

(Seconded and unanimously carried amid stentorian enthusiasm and cries of "Tregoe, Tregoe," and long continued applause.)

Chairman—Mr. Tregoe, I congratulate you on your renomination, it shows you were faithful over some things and therefore we have made you ruler over many things.

Mr. Tregoe—Those are very gracious words, and I can say with sincerity that if it had not been my privilege to have attended the convention you presided over, I would not be the presiding officer of this Convention. Gentlemen, I cannot say anything except that I feel somewhat a traitor to my own convictions. However, you have given me such a wonderfully kind and brotherly testimonial of

your confidence, regard and love, which I prize more highly than the position you have tendered me, that I can only say that I trust through my meeting with you and through my fellowship to express more than is possible by words how sincerely I thank you. (Great applause and enthusiasm.)

Chairman—The next order of business will be nomination for Vice-President.

Mr. F. W. Standart, of Denver.—Gentlemen, after all the eulogies upon the many cities of this country that we have heard in the last few minutes, I do not know where I am from. I have a friend who is the President of a railroad running out of my village; the railroad is sixteen miles long; and he wrote to the President of the Union Pacific Railway, asking for an exchange of annual passes. He received a letter in reply that the President of the Pacific road did not know where his road was. My friend replied: "Your road may be longer, but it is no broader than mine." (Laughter.) Now, gentlemen, we have heard from our friends of these other cities. Ours is not so long, but it is just as broad, and is a mile nearer heaven than any of them. We hope you may reach it some time; and Denver is still on the map at the base of the Rocky Mountains.

I have been asked, and with a great deal of pleasure I desire to place in nomination a gentleman without whose presence I do not think a Credit Men's Convention could be held. I think that we have all enjoyed the hospitality of this city, and I think that we could not hold a convention without the presence of Mr. Richard Hanlon, whom I desire to place in nomination. (Great and continued applause.)

Mr. Bannin, of New York.—It is my pleasure to clasp hands with Denver. I want to say, though, that we know where we are from; we are 250 years old—we have been reading that and it is very vivid in our minds. The New York delegation wishes heartily to second the nomination of Mr. Hanlon. We have listened to his voice and his pleasant countenance has edified and refreshed us so many times that we feel that in honoring him we honor ourselves. We heartily second the nomination of Mr. Hanlon for Vice-Presidency.

Mr. Edwin A. Krauthoff, of Kansas City.—The State of Missouri appears before you to-day with an element of pride in its composition. We pass over without mentioning, because you have shared with us the inconveniences of our recent surrounding by water, and refer to the record we have made in the work of the National Association of Credit Men during the year just closed. We have contributed to the galaxy of cities which make up the constellation known as the National Association, the city of St. Joseph, which, like some lost pleiad, years ago departed, but now has returned to her sisters. The Kansas City Association, oddly enough, had sunk almost into innocuous desuetude, and it comes before you to-day and has thrown upon it the honor of having one of its friends elected a member of your Association for life; the St. Louis Association is before you with its record of hospitality and its membership of 400; the State of Missouri presents to you three associations out of your thirty-five, and 500 members out of your 5,000; and on behalf of the State of Missouri, and particularly on behalf of Kansas City and St. Joe, I second the nomination of Mr. Richard Hanlon, of St. Louis. (Great applause.)

Mr. W. N. Fitzgerald, of Milwaukee.—On behalf of the Milwaukee delegation we want to cordially second the nomination of Mr. Hanlon, and hope it will be unanimous.

Mr. W. L. Danahey, of Pittsburg.—Mr. Chairman and Gentlemen of the Convention—In order to clinch the fact that Pittsburg appreciates the very best when it sees it, and on behalf of the younger element who love friend Hanlon so dearly because he has been such a kind, good old father to us (laughter), Pittsburg desires to second the nomination of Mr. Hanlon.

Mr. McKee, of Philadelphia.—Mr. President and Gentlemen of the Convention—It affords me on behalf of the Philadelphia delegation much pleasure to heartily second the nomination of Mr. Hanlon. His modesty, ability and worth were made manifest to us at Buffalo, when he tried very hard to hide his light in a pillow case. (Laughter.)

Mr. W. K. Fartlett, of Baltimore.—Coming as I do from a place where we have terrapin, oysters and soft shell crabs every day, and proud as we are of our high eminence among our sister cities (great applause), we are still prouder of being able to second the nomination of Mr. Hanlon.

Mr. Bird, of Boston.—We desire also to second the nomination of Mr. Hanlon.

Mr. Burt, of Buffalo.—On behalf of the Buffalo delegation I most heartily second the nomination of Mr. Hanlon.

Mr. Apperson, of Memphis.—Realizing that it would be impossible for Mr. Hanlon to be elected Vice-President of this Association without the assistance of the Queen City of the Mississippi Valley, Memphis, which has contributed the bone and sinew of St. Louis, as our State has contributed the bone and sinew of Missouri, I desire to second the nomination of Mr. Hanlon, and our only regret is that he was not from Tennessee. (Great laughter and applause.)

Mr. Walter Walker, of Louisville.—We Kentuckians feel that all Missourians are a sort of children of Kentucky. While not as great in our own capacity as some other cities that have sent out great men, we have built up other commonwealths. Kentucky has contributed seven Governors, I think, to the State of Missouri, also Senators and all sorts of people; and we have built up commonwealths all over this country. (Great laughter and applause.) The speaker had the pleasure of meet-



ing Mr. Hanlon at Cleveland some two years ago, and he would second this nomination, if for no other reason, for the opportunity of hearing another story from him; and I hope he will give us a speech.

Mr. Apperson—I know it is not admissible for a man to speak twice on the same subject, yet since Kentucky has claimed to have sent out these Governors, Senators, Representatives and Statesmen, I wish to say that Tennessee has sent Mr. Foote, the man who makes and unmakes the Representatives and Governors of States. (Great applause and laughter.)

Motion was then made to close the nominations, that the Convention declare Mr. Hanlon nominee for Vice-President, by a rising vote.

Motion seconded and unanimously carried.

Chairman Field—It affords me great pleasure to introduce to you my friend Mr. Hanlon. I will not say so much for Tennessee or Kentucky, but we have a little fellow-feeling as we remember the Emerald Isle across the sea. (Great laughter and applause.) It certainly has not sent a delegation here, except as it is represented now on the platform.

Mr. Richard Hanlon—Usually, of course, I have something to say, but I am almost too full for utterance just now. This honor (and I consider it a distinguished one), I heartily appreciate. Like Governor Crittenden I have had a few honors thrust upon me from time to time, and I feel this honor most deeply of all. My friend from Pittsburg intimates that I am a Papa to all young fellows; that is, because I took care of them in Louisville (laughter), but this honor is one that I appreciate from the bottom of my heart; this is especially true because I did not log-roll for it—it came to me spontaneously, unexpectedly, and I might say undeservedly. To say that I am not flattered or that I do not like it, would be telling an untruth—I like it. (Applause and laughter.)

I was particularly pleased while sitting in the back part of the hall there to hear so many kind remarks about our friend Harry Tregoe. I took them all to myself, and I said: "You are the man that nominated him; he must be good—you did it," but I never suspected that I was going to be sent for so soon myself. I am here, gentlemen, at your service. Anything that I can do for the promotion and welfare of national or local associations of credit men, call on me for. I am leading somewhat of a strenuous life just now, organizing a new business, and you know what that means; I have to have eyes in the front and back of my head both, watching these fellows; and consequently I will be very busy from now on; but any time the National Association, as I say, calls on me in any capacity, if they will only send the transportation, I will be there. (Applause and laughter.)

It is hardly necessary for me to detain you with any special remarks any more than to say again, gentlemen, that the only further ambition that I have, and that I admit is a vaulting one, is to be President. Do not try to log-roll against me next year and say I am not big enough for the place. Give me a show, do not throw me down and say I have got all I want, because I have not got all I want. (Applause, laughter and cries of "You have not got all you will get either"). I was under the impression for a while that you were going to put Tregoe in there for life. He has good health and probably will live longer than some of us; but if we will live and prosper under his administration that is all we expect or desire. To-morrow when I feel better, if you have any pillow slips around handy, if you want me to, I will put them on, I will be ready; but now I am all knocked out; I did not expect this honor, but I have always stood back in a receptive mood (laughter); sometimes I went around here with a lightning rod, hoping to be struck with some high office, but all they ever did was to call me out and ask me to give somebody else something. This is my first office. Now, gentlemen, nominate nobody else against me, because I want this office. (Great laughter.) I will be a candidate; I am out now and I would stay out all night to get this office. I am a Democrat of the fighting kind; and if you log-roll against me I will have more caucuses in this hotel than you can shake a stick at. I stayed out till 12 last night, but I will stay out till 4 o'clock to-morrow morning, if necessary.

Mr. Fitzgerald—What is your room number?

Mr. Hanlon—I will be just on the town, any place on the street—I have no room.

My friend, the Chairman, says we are from the old country. We are—at a distance and by proxy. All you gentlemen are talking about the south, and my friend from Tennessee is so enthusiastic over Memphis simply because he sent Joe Folk up here; but we will get Joe yet, if he don't get us first. He is after us and has the advantage. He is in office now, and we will probably have to re-elect him, but we may not unless he comes out and is a good Democrat, which he says he is. I live in Ohio, yet; and singular to say, I occupy no Federal position. If I did, probably I would now be in Washington trying to escape the Grand Jury for these postal troubles. You said you had a letter from the Post Office Department to you, but you did not mention the right man; he established these rural delivery routes; he knows all about them—he is the man that made the money out of them, and that is what we are here for—to make money out of our business.

I thank you heartily for this honor, but I will not thank you finally until I am elected, because I have been premature that way before now—which recalls to my mind an anecdote.

When I was a young man about twenty-one years of age, I had a splendid position; I was not drinking or doing anything wrong; and I came down street one evening and noticed that I was the cynosure of all eyes, especially those of the old-timers, and I found out afterwards that I had been selected as a victim. They took me aside and said: "We want you." "What for?" "We want to run you for County School Superintendent on the Greenback ticket." Now, I did not know a greenback from a redback, in politics—I had not got that far—and they swelled me up sufficiently so that they all got the drinks on me; and it seemed like everybody had a cough and all wanted whiskey. Well, they nominated me on the Greenback ticket, and then a friend of mine said: "You could not be elected on a Greenback ticket in this county in a thousand years; now, we will nominate you on the Democratic ticket." I said, "All right; I am out to be nominated now; go on and nominate me;" and he nominated me with a glowing speech, saying that I had drunk Democratic milk from infancy, and was the pure quill. So I had two nominations; but it was in a county strong Republican; but I was going to lick them anyhow; so I threw up my job and canvassed the State, worked night and day. The morning after election I started out to find out the result, but I was told that it was not necessary for me to go to very much trouble because I was beaten. I asked on what ground, and the reply was that Peru, Illinois, beat me because I was a Prohibitionist. "What has that got to do with a man running for County School Superintendent?" I asked. "Well," said my informant, "you went down there with Jack Red-dick and did not go into every saloon in town, so they put it on you as being a Prohibitionist" (laughter). Now, perhaps to-morrow, I will be in the same fix, for I understand that I have been merely nominated here, so I will not thank you finally until the crucial moment really arrives. (Great laughter and applause.)

President—I think you need not worry about the matter although the ballot is an informal one.

Secretary—The names of the Directors whose terms expire are James T. Jenkins, of Nashville; W. N. Fitzgerald, of Milwaukee; F. W. Standart, of Denver, and N. H. Foster, of St. Louis.

Adjourned until next day, Thursday, June 11, 1903, at 9.30 A. M.

THURSDAY June 11th, 1903, 10.20 A. M.

Convention called to order by the President.

President—Gentlemen, we have been indulgent this morning. We are like some of the trains going out of St. Louis—an hour late—but so many were switching for transportation that we felt it was only proper to give them an opportunity and not miss any part of our morning's session. We will open with prayer by the Rev. John W. Day, Church of the Messiah, of St. Louis.

Reverend Mr. Day—Almighty God, our Heavenly Father, in whose presence we always are and whose presence is everywhere in wisdom, righteousness and power, we confide in Thy blessings in the deliberations we are engaged in here. We pray Thy blessing, that credit and faith, righteousness, integrity and uprightness, may be confirmed in the world, and that this world may be permeated with the eternal things of another world. We pray Thy blessing, our Heavenly Father, that we may give our strength and mind to the maintenance of integrity and uprightness, that they in their turn may preserve us with their power and integrity. We pray Thy blessing, our Heavenly Father, confident of Thy strength and Thy love, which are eternal; and confiding in Thee and seeking Thy guidance we rest in Thy Providence forever, Amen.

President—We will now have the general communications of the day read by our Secretary.

Secretary—I have received the following communications:

#### LOS ANGELES CREDIT MEN'S ASSOCIATION.

LOS ANGELES, Cal., June 4, 1903.

W. A. Prendergast,  
Planters' Hotel,  
St. Louis, Mo.

Dear Sir,—I regret more than I can express my inability to be present at the Convention of the National Association of Credit Men, but having just been away for a long trip and needed rest, I cannot leave again at this time. Will you kindly convey to the members of your association my continued interest in the work with which I had the honor to be so closely allied, and my best wishes for a most happy and profitable meeting.

With my very best regards, I am

Yours very truly,

(Applause.)

W. H. PRESTON.

NATIONAL ASSOCIATION REFEREES IN BANKRUPTCY.

BUFFALO, N. Y., June 8, 1903.

WM. A. PRENDERGAST, Esq., Sec'y,  
National Association of Credit Men,  
Planters' Hotel, St. Louis, Mo.

MY DEAR MR. PRENDERGAST:—In thus formally regretting that engagements here this week will prevent my acceptance of the invitation of your Association to be present at its Convention, may I not say that, both as an individual and as President of the National Association of Referees in Bankruptcy, I rejoice with and congratulate you on the prosperity of your Association. Its work in behalf of a permanent bankruptcy system—for that will be the result of the amendatory statute recently approved—was not only more persistent, but, as a consequence, more effective than that of any other body. Indeed, it is not saying too much to assert that, had the movement not had your support, it would almost certainly have failed. Only the future—the inevitable time of financial stress—will demonstrate to the credit interests the wisdom and importance of the work you thus accomplished.

As for myself, I shall always remember it as a privilege to have worked with and among such earnest and resourceful gentlemen, and, in your future campaigns for our worthy cause, shall be proud to labor in the ranks with them.

Pray believe me, with great respect,

Yours very sincerely,

WILLIAM H. HOTCHKISS,  
President.

(Applause.)

President—Now, gentlemen, we will be favored with an address on "Modern System and the Credit Department," and I take great pleasure in introducing to you our speaker, Mr. M. Martin Kallman, of Detroit, Michigan. (Applause.)

MODERN SYSTEM AND THE CREDIT DEPARTMENT.

Mr. President and Gentlemen: When I consider what the average business house expects of its credit man I am surprised to see so many present at this meeting. No one is in better position than the professional business systematizer to know how much is demanded of the credit man; for the first place to which the methodizer is conducted when he begins an engagement with a house is to the credit desk. This might seem to imply a doubtful compliment, but this inference is, I think, not quite justified by the facts.

Really, the systematizer is first taken to the credit man because that officer of the house organization is supposed to know something about everything upon which the other officials of the establishment are not positively compelled to be informed.

Whatever the house has in the way of an accounting system is generally the work of the credit man. Often this is exceedingly doubtful praise, to be sure, but the fact still remains that upon his shoulders has fallen the burden of devising all that the house can boast in the way of progress along accounting lines. If a blank or a special form is needed in any department the task of drawing it up usually falls to the man at the credit desk.

Then, too, the larger problems of house finance are almost invariably submitted to the credit man. Quite generally, as a matter of fact, the credit man is the active financial head of the house. Again, particularly in small houses, he is often charged with the buying of the house stationery, and numerous kindred tasks involving a mass of petty details, which, in addition to his main routine duties, make him the most overworked and detail-haunted member of the house staff.

And this is the reason, gentlemen, why he should, more than all others, have the advantage of that liberation from the slavery of petty details which it is the mission of modern business system to bring. If any man in the organization of the modern business house should have time in which to think, and to think without interruption or annoyance, he is the credit man. The poorest possible economy in which an establishment can indulge is that of so crowding the man at the credit desk that he has to work his pencil more than his brains.

If I am not mistaken the credit man earns his money in savings to his house by the skill with which he handles comparatively a small percentage of the total number of accounts under his care. In this statement, I have little fear of even your silent contradiction. Let us say, for example, that at least ninety per cent. of the accounts passed upon by the credit man of average experience and ability are sound, and, broadly speaking, above suspicion. If ninety per cent. of his accounts are of the character to deserve the praise bestowed upon Cæsar's wife, it must follow that the real value of his services to the house rests upon the judgment and diplomacy with which he passes upon the remaining ten per cent. of accounts that are not above suspicion.

This brings at once before us the vital problem of the credit department, so far as its relation to modern system is concerned. It will require no unusual acumen to see that if the task of scrutinizing the ninety per cent. of sound accounts can be reduced to so small a minimum as to demand comparatively little of the credit man's attention, he will be immensely the gainer, and will have far more time and energy to devote to those accounts which really call for the exercise of his best energy, judg-

ment and protective powers. In fact, I doubt if there is present a single credit man who has not, sometime in the course of his career, been so crowded by the necessity of passing upon the general mass of accounts that he has not allowed himself to be overreached by some customer belonging to the doubtful class. This is only another way of saying that the routine duty imposed by tradition demanding that he shall pass upon purchases affecting the ninety per cent. of solid accounts has compelled him to haste and perfunctory treatment in handling the remaining ten per cent. of possibly doubtful accounts resulting in an error of action involving more or less serious consequences.

How shall the problem be so readjusted as to permit the credit man to concentrate practically all of his attention upon the doubtful ten per cent. of accounts while knowing that the substantial ninety per cent. is being adequately cared for and protected without his constant and specific attention? My answer is, that system only can solve this problem. Naturally you ask the question, how can this be done? Broadly speaking, by a method which "flags" orders on any account which belongs in the least degree to the doubtful list, and at the same time which allows the right of way to all orders on accounts in a proper condition to receive them. In other words, a right method makes it possible for the least member of a credit department having the intelligence of an ordinary clerk to pass upon the credit of customers in condition to take care of the credit implied in their orders. At the same time it makes it impossible for a single extension of credit to be made in an account not deserving it.

By way of illustration, let us suppose that the credit man of Merchant & Company goes out to luncheon and meets his friends from down the street, whose house sells goods to many of the customers of Merchant & Company. This friend inquires: "Do you sell Jones, of Joliet?"

"Yes," answers our credit man, "he has a very good line with us."

"Well," responds the friend, "that may be all right, but I have just heard something from a reliable neighbor of his that has put me on my guard. He has been speculating rather freely of late, and is believed to have suffered severe losses; in fact, my informant declares that he is pretty deep in the hole, and that he is likely to have a rather hard time of it for several months to come. But very likely he will be able to pull through all right, unless some of his creditors or backers get scared and begin to shut down heavy on him."

Now, if the credit man of Merchant & Company has his office organized under a right system, the first thing he does after he has returned to his office and hung up his coat and hat is to take from the card record of house customers the particular card bearing the name of Jones, of Joliet. On this the credit man pencils his own initials. These become a signal which automatically stops all orders and transactions and immediately refers them to his personal attention. Every employee of the office knows that to allow an order to pass this signal without being specifically referred to the credit man is to violate a cardinal rule of the house, and to incur a severe penalty.

But this is not all. In an appropriate space on the card which bears the record of all the transactions of Jones & Co. with the house is noted the reason for such summary action in altering the line of credit which he has been accustomed to enjoy.

On the other hand, let us suppose that this credit man is a representative of the old school. He prides himself upon his ability to carry "under his hat" the key to the credit of his customers; the information which determines, in cases of final resort, the very action which I have already described. So far as his written records are concerned, there is no change in the standing which Jones, of Joliet, enjoys with the house. This credit man of the old school knows that he is going to tighten the line so far as Jones is concerned, and he feels that it is enough that he knows it. But it happens that our credit man suffers from an attack of indigestion a day or two later and is compelled to stay at home to recuperate. If he has an assistant he has forgotten to tell him the story of what happened to Jones in the ups and downs of the market—for credit men sometimes do forget. While our old-style credit man is dieting at home Jones sends in an uncommonly heavy order. There is not the scratch of a pencil or a black mark of any kind against his name, and, consequently, the order goes through, the goods are shipped, and by the time the chief of the credit department is convalescent and back at his desk, Jones, of Joliet, is a successful bankrupt and the house is the loser.

Perhaps instances of this kind are unknown in the houses represented by the gentlemen here present, but they have happened repeatedly in the history of houses whose credit men are not here. But what is more to the point, things of this kind cannot transpire in any establishment having a credit department operating under an adequate and thoroughly modern system.

One of the most marvelous things in the history of merchandising is the amount of dearly bought experience required to teach the average business man that the customer's ledger is not an inspired volume invested with miraculous infallibility, and that the credit man who carries his knowledge of those customers under his hat is sooner or later bound to have his hat and all that is under it in the wrong place at the crucial moment—a fact which makes him a mighty poor and inadequate supplement to the customer's ledger.

Some years ago, when the bicycle habit was at its height, the half owner and credit man of a big Eastern jobbing house was called from his desk to attend the



funeral of a friend. While returning from this sad mission he chanced to ride with an acquaintance from a smaller city in a neighboring State. This friend asked: "Does Mr. Blank, of my town, still deal with you?" "Yes," was the answer, "we sell him a big line of goods; in fact, his business is increasing right along, and he is among our best customers."

"Well, I like him all right," replied the friend, "but I happened to learn something yesterday which I feel in duty bound to tell you. As yet it is little known, but I can vouch for the fact that he is transferring his extensive real estate holdings to his wife. This, to my notion, means that he is fixing for a first-class failure, and that you will do well to get out from under."

When this credit man returned to his office he punctiliously consulted the ledger and looked at the account of his customer concerning whom his friend had given him this secret information at the funeral. The ledger showed that Mr. Blank had recently remitted in a sum which balanced the account.

The other partner of the house had exclusive control of the merchandising and selling end of the concern, and never ventured to interfere with the affairs of the credit department, nor did he permit his associate to interfere with his own branch of the business.

While the credit man was absent attending the funeral Mr. Blank had called at the establishment, and personally placed an order for several hundred bicycles with which to stock his main store and several branches, which he was then operating. Of course, the partner at the head of the selling department consulted the ledger, and found his customer's account in excellent condition. The order was put through and the goods shipped in haste in accordance with the special instructions left by the visiting customer. The day following the funeral which the credit man had attended the merchandising partner was called out of the city and did not return for several days. As a result, before the big order for wheels was posted on the ledger, and came under the eye of the credit department chief, the shipment had been received by Mr. Blank, disbursed, and that enterprising retailer had gone into bankruptcy. Scores of other incidents along this line might be cited, all emphasizing as pointedly as this the moral that customers' ledgers are not sacredly infallible guides, and that the credit man who carries his information under his hat sometimes is as useless to his house as he is bound to be when there is crêpe on its door and the partners and heads of departments are attending his funeral. This kind of a credit man leaves his money behind him, but his information dies with him—and all the ledgers in the world will not save it—particularly if they are a few days behind in the matter of posting, as they are likely to be in a house where so little of modern system obtains.

Perhaps you are inclined to ask how this disaster would have been prevented under the operation of a right system. Just as soon as the customer came into the house and made application for so large a draft upon his credit as that involved in his large order, the selling department partner would have quietly visited the credit desk. Finding the credit partner absent and failing to find any specific data aside from a clear balance on the ledger he would have immediately drawn from the record the card of Mr. Blank and placed it upon the credit man's desk along with a memorandum of the order. Immediately upon the return of the credit man this information would have been forced upon his attention and the shipment of the goods stopped.

Another practice common to the business house which is not highly organized is that of encouraging customers to buy their goods before definitely determining whether or not the invoice involves a larger line of credit than the house desires to extend under the circumstances. For example, a customer comes into the wholesale house and spends half a day in buying a large bill of goods. This also involves half a day's time on the part of the salesmen of the house. After he is all through buying the orders get up to the credit desk, and it is discovered that the customer's account is not in condition to warrant the addition of the bill! Then, after the customer and the salesmen have both wasted their time, the buyer is told that his line of credit will not stand the additional strain of the amount involved in his purchase. Naturally, this makes disappointment and bad blood. Very often, too, it results in the permanent alienation of a good patron of the house. If a proper system were enforced the first thing in order when the customer enters the house and signifies his intention of buying is to send to the credit department records and get the customer's number. This at once tells the employee or salesman precisely the line of credit to which this patron is entitled. This forewarns the salesman, and puts him in a position of advantage; by the exercise of a little diplomacy, the giving of a little sound advice regarding the extent of the customer's purchases, he is able to keep the amount of the visitor's orders within the limit of his credit, thus avoiding disappointment, loss of time, and perhaps the permanent loss of the customer. It is a safe rule that the house salesman should know the exact amount of credit to which his customer is entitled before he begins the actual process of taking that patron's order. And this can always be done without the customer's knowledge that the salesman has sought for this information.

As this address is supposed to be in the line of practical and helpful suggestions, I shall not hesitate to indulge in a word of criticism. One of the cardinal weaknesses of the average credit department is found in the comparatively slight personal intercourse between the credit man and his customers. To a very large extent their communications are not only written, but of a formal and cut-and-dried nature.

While it is true that the credit man does see certain of his customers quite frequently it is equally true that he has no personal acquaintance at all with a very large portion of them. The cause of this condition has already been indicated. The head of the credit department is tied down to his desk by an elaborate network of details that, under an adequate system, can be safely and expeditiously discharged by inexpensive help.

It is my conviction that every credit man should come in personal contact with each one of his customers at least once a year, and oftener if possible. And I certainly know that the right sort of a system will make it possible for each customer of a house to be personally seen by some person in a position of authority in the credit department once a year. When Mahomet cannot visit the mountain, let the mountain visit Mahomet. When the customer cannot be induced to call upon the credit man, let the credit man call upon the customer. In no other department of business does the personal equation have greater weight than in the credit department, and it is absolutely impossible for the personal equation to be accurately determined except by personal contact.

Another conclusion which has been forced upon me is that, generally speaking, the credit man does not realize his power as an active selling factor. He is in the habit of thinking of the credit department as purely protective instead of as a possible productive factor. His relation to the effort of the house to make more sales should be as constantly in his mind as the effort to see that the sales which are made are safe sales. Very few letters should go out of the credit department without containing some reference to more orders or further orders from the customers. The credit man should know at once when the purchases by any good customer are falling off, and he should at once take steps to learn the reason for this change. Of course, this must be done with tact—but tact and judgment are the two cardinal requirements of the credit man.

A right system in the credit department is so sensitive that it indicates, with automatic precision, a complaint from any customer. You do not need to be told that kicks and complaints are the favorite weapons of customers who believe that they have some advantage to gain by sharp practice with the house from which they get their goods. It does not generally occur to such a customer that the house will remember that he has registered a kick a month ago; but the little card on the customer's record indicates at a glance every time a kick is made or a complaint entered. Let us suppose that the new customer sends in his first complaint. Under the right kind of a system that is immediately indicated on his card record. At once instructions are sent out through the house to double check his next shipment, and to exercise especial care in every detail relating to it even to seeing that the packing of the goods is done in a manner beyond criticism. If this customer enters another complaint next month he is then considered a subject of suspicion and is placed under surveillance, and a special effort is made to arrive at his motive for the complaint. In the same manner the right system takes care of the matter of slow pay and of all other elements entering into the customer's relationship with the house.

A frequent element of weakness in credit departments is too implicit a reliance upon mercantile agency ratings and reports. Do not understand me as attempting to minimize the great value and usefulness of the agencies. They are invaluable and an absolute necessity for the safe conduct of business under the complex conditions of our modern commercial life. On the other hand, I do not think you will question the statement that they are the crutch upon which both the weak customer and the weak credit man are inclined to lean too heavily. The country merchant who is not financially as strong or as sound as he would like takes especial pains and goes to any length to bulge his ratings in the commercial agencies, while the credit man who is either timid or inexperienced, and who has not the strong foundation of a system stored with accurate and available information regarding all his customers, is disposed to base too many of his decisions upon the reports of the agency. And in doing this he is sometimes in danger of giving too short a line of credit. Many a house organized on a small capitalization does not show all of its strength in its statements to the commercial agency, for the very good reason that assessors and tax-reading bodies have access to agency information as well as merchants, and know how to use this information to the increase of the tax returns. For example, I have in mind a certain Eastern house capitalized and rated at \$100,000, which actually does a business of more than a million dollars a year. It is scarcely reasonable to suppose that so large a business as this is done upon so small a capital as that represented by the rating of the house in the mercantile agency report. There are many other reasons why the credit man should be in position to render his judgments practically independent of the agency reports, or at least use them only by way of verification. This he cannot do unless he has a system which provides the right data, focuses it into permanent office records—and in such a manner that it is instantly—I might say, almost automatically—ready for application to every case and every customer.

These hints will be sufficient to point the way in which a thoroughly modern system in the merchandising house, and especially in its credit department, makes it possible for the credit man to concentrate practically his whole attention upon the matters which need his attention, instead of squandering his time and energies upon a mass of details which daily pass over his desk simply because long usage and tradition so decree. By taking advantage of the economy wrought by well-devised modern

office methods any credit man can multiply the power and influence which he exerts in the house organization, giving his best efforts only to those matters which are really worthy of them.

That system and the proper systematization of the operations of the credit department will effect a much-desired economy of the time, labor and energy of the credit man is a truism, and to what extent system will be made an accomplished fact in connection with credit work is dependent to a great extent upon the interest which the National Association of Credit Men will exhibit in this subject. Through your advocacy of such a policy, and your adoption and promulgation of the forms and methods required to carry it into effect, half the battle will have been won. It must always remain true that every well-devised system must be made to fit individual needs, but through the influence of your organization forms for universal use can be prepared, and uniform lines of action adopted, to the end that the credit man may be liberated from slavery to details, and be free to make his individuality the power in the house organization that it should naturally be.

If this be done I am convinced that your organization will fortify itself with new power and influence, and make itself a practical training school for credit men of the highest order, pervading your membership with activity and enthusiasm. (Great applause.)

President—We want to thank Mr. Kallman for his very clear, thoughtful and helpful paper, and I do it in your name.

Now, we will proceed to consider the resolutions referred to us by the Credit Department Methods Committee, and I will ask the Secretary to read them.

The Secretary then read the following resolution:

*Resolved*, That the report of the Special Committee on Credit Insurance, as published, be, and it is hereby approved by the National Association of Credit Men in Convention assembled.

Mr. McAdow, of Chicago—The Chicago delegation desires to offer a substitute for this resolution which we would prefer to have the Secretary read.

The Secretary then read the substitute as follows:

*Resolved*, That the report of the Special Committee on Credit Insurance be received and placed on file, and the committee discharged with a vote of thanks; and be it further

*Resolved*, That in having appointed said committee and in receiving this report this Association (in accordance with its oft-repeated and well-defined policy of refusing to enter into any entangling alliances) does not thereby endorse or pass upon the desirability of Credit Insurance.

Mr. Gray, of Louisville—I move the adoption of the substitute report.

Motion seconded and substitute unanimously adopted.

The Secretary then read the following resolution:

*Whereas*, the original purpose of the Association in preparing a trade inquiry blank was to secure one which could be uniformly used by all members, and business houses generally; and

*Whereas*, the Association is now publishing three different trade inquiry blanks; therefore be it

*Resolved*, that the Board of Directors be instructed to consider this matter, and decide upon one blank, to be published by the Association, which blank may be any one of the three already in use; or an entirely new form, to be decided upon by the Board.

Mr. Smith, of Chicago, moved its adoption.

Mr. McKee, of Philadelphia, seconded it.

Mr. Krauthoff—On this subject of trade inquiry blanks I think there is one feature of the amendment of the National Bankruptcy Law that has not been emphasized. The Secretary has called attention to it, but I find that it is a matter on which there is general ignorance, and that is the amendment of the Senate to the House bill, to the effect that for the credit statement to be an objection to the discharge it must be made directly to the house that extends the credit, and not a statement made to some one else or to a mercantile agency. Hence, in discussing this question I thought we should emphasize the absolute necessity of having a direct statement from the customer to the creditor because otherwise these reports would be no ground for opposing the discharge of the debtor. The use of these blanks is now more necessary than ever before.

President—The inquiry blank we are now discussing is an interchange between houses, and not an interchange between the purchaser and the grantor of the credit. It is the interchange between those who grant the credits.

Mr. Field, of Philadelphia, arose to speak, and was invited to the rostrum.

President—I could not proceed with ease unless Mr. Field were here. A third chair has been provided for him.

Mr. Field—The chair I have is comfortable. I am not clear on the proposition before us. The idea of reducing our system of inquiry to one form of blank, is that it? I have had the honor of being President of a Trust Company, President of a National Bank, and President of a commercial concern, and I think that I would have been in a very poor fix if I had been confined to one blank. I do not understand that you are going to have decided action this morning, but the matter is worthy of very careful consideration. I think that every member of this Convention must understand that with a little country crossroads customer you want

a different style of blank than with a large concern; and I should regard it as a step backward if we would simply confine ourselves to one form. If we sent out to the country customer one of the forms used in a bank, he would think he was subpoenaed to court, or something (laughter). On the other hand, if you were to present the bank with the blank for a small country customer, the bank would be very much surprised. We should go slow and consider the question in a broad light before we confine ourselves to a single form.

President—I want to correct Mr. Field's impression. This does not refer to the property statement blanks, but simply to the inquiry forms that are interchanged between the houses relative to the purchasers themselves.

Mr. Field—I beg your pardon, I started wrong. (Laughter and applause.)

President—I knew you started wrong, because you ought to be up here.

Mr. Rapp, of Philadelphia—Mr. Chairman and Gentlemen—I happen to have been a member of the Committee that prepared the last inquiry blank, and the idea as I then understood it was not to use that to displace any of the others, but simply to have an additional form for those who desired not to use those that were already in use, and I think for the benefit of the Convention the Secretary might state the amount of sales of the different forms. It will give an idea of the demand for one or three blanks. We have three blanks now in use. There may be some here that are not conversant with the amount of blanks that are sold, and the different styles.

President—Mr. Prendergast will give us that information now—I think he has it at his command.

Secretary—During the past year 14,700 of No. 1 have been sent from the National Office, 16,000 of No. 2, and of the new trade inquiry form published in March 55,000 copies were sent out up to the 1st of May. The use of these blanks year by year is about uniform. This resolution was introduced because of several suggestions received at the National Office to the effect that instead of having three blanks we should have one that would be generally acceptable; and the resolution, therefore, has been submitted simply for the purpose of testing the temper of the Association on that question.

The resolution was unanimously adopted.

The Secretary then read the following resolution:

*Resolved*, That it is the sense of the National Association of Credit Men, in Convention assembled, that the most effective method of abolishing the abuse known as excessive discounts would be for merchants to refuse to do business with concerns who are in the habit of taking discount to which they are not entitled.

Mr. McKee, of Philadelphia—I move that that resolution be laid upon the table.

Motion seconded and put to vote.

President—I should call that carried, but if you ask for a division I will make it.

(Division was not called for.)

President—The motion is carried.

The Secretary then read the following resolution:

*Resolved*, That the individual members of the National Association of Credit Men, and the members of the local associations who are forwarding accounts for collection, be requested to place these accounts with the local associations conducting collection bureaus."

Mr. Walker, of Louisville, moved to table the resolution.

Motion seconded by Mr. Bannin, of New York, and unanimously carried.

The Secretary then read the following resolution:

*Resolved*, That the local association be requested to appoint special committees of three, in each branch, whose duty it shall be to investigate the standing and responsibility of reporting and collection companies, and that the results of the investigations of these committees be made interchangeable between the different associations."

Mr. Rosson, of Cincinnati—I desire to offer a substitute, that the Chairman appoint a committee of one from each city in which the association has branches, whose duty it shall be to investigate the standing and responsibility of reporting and collection companies as well as any systems operated by their own local branches in their respective cities, and that this committee interchange the results with each of the committeemen and make a full report of their findings, together with a recommendation of any plan they may deem wise for consideration by this association, at our next annual meeting.

I would like to state that I do not feel that we can depend upon each local association appointing the committee to carry out the resolution. We have discussed trade interchange at every meeting. We have not what we want. We have never been able to devise any plan entirely satisfactory, and it is something that we do want if we can develop it; I think we ought to do it; and I feel that in appointing one man from each office we will feel the pulse of the entire country, and he can solve the situation in his own respective district, and can investigate it in the different lines of trade to see how it will apply to each. There are, for instance, several officers in the association who have systems they are now using, for instance, Louisville, which they tell me has a very satisfactory one, and comparatively inexpensive; I should say that the Louisville Committeeman should submit that plan



to the rest of the committeemen and that they interchange, and if they deem this system proper for recommendation to the association next meeting, then do it. Let us dispose of this question and leave it in the hands of the parties who are at present attempting that business.

Mr. Evans, of Philadelphia—Do you not think any action we might take on a matter of this kind if it were carried out along the lines of this resolution, would be in the nature of a *quasi* endorsement of any firm that we might recommend, and is that not foreign to what has been in the past, at least, the spirit of our ideas? We have tried, I believe, to keep free from any entanglements with anybody of whom we may buy or get service of any kind. We recommend nobody—no agency, nor collectors or anything—and it seems to me that if a committee were appointed in the various cities to investigate upon request certain collection firms or agencies and that committee would officially say, as a committee of the local or this association, that that party was all right, it would be an endorsement of this association, and that is one of the things that I think we have tried to steer clear of. I may be entirely wrong in the way I view this matter, but that is the way it occurs to me.

Mr. Sweeten, of Philadelphia—I move that the resolution be tabled.

Motion seconded by Mr. McKee, of Philadelphia.

President—I am afraid we are laboring under a little disadvantage in this resolution. I will take the privilege myself of deferring the presenting of that motion which ought, in a parliamentary way, to be presented immediately. I think Mr. Rosson of Cincinnati, has not quite grasped the idea. I am fearful he thinks that it refers to the adoption of local bureaus such as they have in Louisville and some other cities; whereas it does not. It means in its nature a protection against certain collection agencies who are soliciting business from you, having no connection whatever with the association, under specious promises of securing something for very little; and you find in a large measure that it is the reverse. Now, I am going to take the privilege right here, so that you can consider this matter in a thoughtful and intelligent way, of stating that the New York Association during the past year has done something of this character. I do not know where this resolution emanates from, but if Mr. Meek, the President of the New York Association, will give us a demonstration of how this works in New York, and what it has accomplished and saved, then I think we will be ready to proceed intelligently on the motion as advanced by Mr. Sweeten, of Philadelphia, and seconded by Mr. McKee, of Philadelphia.

(It was suggested that the maker and the seconder of the motion withdraw the motion for the present.)

President—If they do so I will look upon it as a very graceful act on their part.

(So done.)

Mr. Charles E. Meek, of New York—The New York Association found about two years ago that a number of the merchants in New York City and in other localities were being victimized by so-called mercantile agencies. These mercantile agencies played a system. Briefly it is this: They take an office in an office building in New York City, establish good headquarters and adopt a high-sounding name. They then begin to search the records. In New York State a judgment stands of record for 20 years; they pick up judgment records which have stood 18 or 19 years, and without any further investigation of the matter go to the judgment creditor and tell him that they know where that judgment can be collected. They come in a very excited way and get your eye and hold you. They tell you that they have discovered a piece of property, and if you act quickly you will be able to collect the amount of your claim. It generally leads up, if they see that you are coming their way, to the asking of a small fee. Of recent months they are getting down somewhat in the nature of bargain sales. They ask \$11.90 and go to the next fellow and say we will take it for \$4.40—just the cost of getting a little piece of paper for a record. The result of it was this with us, we employed in New York City a bureau who make it their business to investigate this kind of people in connection with other business. We sent to our members a notice that we had made this arrangement and that our members could obtain from the headquarters' reports on any mercantile agency who solicited business from them. The result of it was that we received a great many inquiries. We found that a great many of our own members, some of them the cleverest credit men in New York, had been taken in. The people collected thousands of dollars; they extended their field to Philadelphia and they have gone out in other directions. We notified the secretaries of all the local associations that New York was prepared to furnish a report on any collection agency soliciting business whose headquarters were in New York; and we ascertained in that way that a great many of our brethren in other cities had been victimized. We have endeavored to drive them out of business and we have succeeded to a certain extent. The most flagrant case—the people who have done the greatest amount of victimizing in New York City—we found the other day had rolled up their carpet and removed their desk and we understand that they have gone to Philadelphia. (Laughter.)

We placed the matter before District-Attorney Jerome and he said that the contracts which these people drew were so cleverly worded that there was absolutely no chance of his being able to do anything in the way of a prosecution;

but he advised that we commence a newspaper campaign. We were able to arrange that with the Associated Press in New York and we had messages sent out. The New York papers published these messages, stating that certain firms had been victimized, and intimating that firms had been victimized in Philadelphia, Baltimore and other directions. The next morning the Associated Press Headquarters in New York received 40 telegrams from local papers over the United States, asking for details, and they printed that information that we gave out, and they have received at our headquarters some 200 or 300 clippings from all over the United States.

I am not responsible for this resolution, but I suppose that that is what it is intended to cover—just a case of this kind. We have adopted a plan and it has worked successfully, and we are protecting our members to-day and are giving them the opportunity of choosing between the right and the wrong in this direction.

Mr. McKee, of Philadelphia—I would ask the gentleman from Cincinnati to consider this suggestion, that if the National Association placed the resolution in the form of a request, urging the members of the local associations as well as the individual members of the National Association, to promptly advise the Secretary of the National Association where any evidence of fraudulent collection agencies appeared in any of their cities that would reach the end desired without the appointment of special committees.

Mr. McAdow, of Chicago—As I understand it, the substitute just offered has not been seconded, has it?

President—No, we are on the original resolution.

Mr. McAdow—Our delegation in looking it over decided that we would support the resolution on the ground that it is merely in a sense interchange of trade information for the benefit of our members; and the work can be handled by the local secretary probably without the appointment of any committee. I second the motion to adopt.

Mr. Boss, of Chicago—I desire to move an amendment to this resolution, so that it will read as follows:

*Resolved*, That the local associations be requested to appoint special committees of three in each branch, whose duty it shall be to investigate the standing and responsibility of reporting and collection companies, and that the results of the investigations of these committees be made interchangeable between the different associations, whenever the collection company shall be found to be untrustworthy or questionable, but said committee shall never affirmatively endorse or recommend any company.

I think that lets us out of the position that the gentleman over here (Mr. Ross) opposes, wherein we would be in the position of endorsing or recommending an agency of that character, and I offer that as a substitute.

Seconded by Mr. McKee, of Philadelphia.

Resolution reread.

Second withdrawn.

Mr. Evans, of Philadelphia, seconded the substitute.

Mr. Philip Present—It seems to me that that is all needless for our purpose. Each credit man can write and inquire if a certain collection agency is a proper one; and why should we saddle on each local association another committee and have a wheel within a wheel? It is too complicated. If a credit man is so foolish as to be bitten by a collection agency that he does not know anything about, it is pretty near time he gave up his job. We have already too many committees. At the very best such cities as New York or Chicago are the hotbeds of such agencies. No other city, probably, has that kind of agencies, and a secretary of a local association receiving a letter from a credit man from another city would be very pleased to tell him of the local collection agencies which are responsible and which are not, without having a standing committee for that purpose, and I, therefore, would like to see that whole resolution tabled, and I move that it be done.

President—The substitute is before us.

Mr. Bennett, of Chicago—The previous speaker seems to be under the impression that this resolution has something compulsory in it. It has not; it is only a resolution requesting it, and leaving it entirely to the judgment of the local associations whether they will comply with the request or not. Furthermore, it is not compulsory upon individuals, even if the local association adopts the suggestion, and the credit man that wants to be victimized can still go ahead and be victimized; and the one who wants information can get it.

Mr. Bannin, of New York—I do not understand the latter part of the amendment. I am strongly opposed to the idea that this association shall in any way depart from the custom that has been established, and which we have followed up to the present time, of endorsing no association for collections or otherwise, outside of the purposes and objects of our association, and I do not quite understand the latter part of the substitute resolution. I think there may be a clause here which we may suffer from.

(Substitute resolution reread.)

Seconded by Mr. Bannin, and substitute carried almost unanimously.

Secretary—The following resolutions were submitted by the Kansas City Credit Men's Association:

*Resolved*, That the National Association of Credit Men by every means within its power impress upon retail dealers the advisability and necessity of carrying adequate lines of fire insurance, and to the end that such object may be accomplished, the President of the Association is directed to appoint a special committee of three, whose duty it shall be to suggest ways and means for the preparation and circulation of literature among retail merchants. Such literature shall state the situation in as concise a manner as possible, and shall be circulated in such way as such committee may elect.

*Whereas*, There is annually considerable loss to the jobbers and manufacturers of the country, occasioned by loss from fire on uninsured or inadequately insured retail stocks; and

*Whereas*, This is due, *First*, to the indifference of the merchant; *Second*, to the injudicious economy to save the cost of insurance; *Third*, to inability to secure insurance; and

*Whereas*, It is difficult for the individual jobber and manufacturer to do much to correct this dangerous condition of affairs; therefore, be it

*Resolved*, That the National Association of Credit Men establish a bureau to aid its members, throughout the country in obtaining better insurance protection for their customers. Members, from time to time, to send to this bureau the names of merchants they find unprotected, or inadequately protected by insurance; these names to be indexed to avoid duplication, and a systematic effort inaugurated by the bureau to induce the merchant to protect his stock by insurance; and where necessary to aid in obtaining insurance, in cases where merchants have difficulty in securing same for themselves; the powerful influence of the association, representing the great credit interests of the country, being relied on to influence the retail merchant to keep more adequately protected from loss by fire than is possible through individual and unorganized effort.

And if no objection on the part of the Convention is made, Kansas City would like to withdraw them and submit in their place this resolution:

*Whereas*, There is annually considerable loss to the jobbers and manufacturers of the country, occasioned by loss from fire on uninsured or inadequately insured retail stocks; and

*Whereas*, This is due, *First*, to the indifference of the merchant; *Second*, to injudicious economy to save the cost of insurance; *Third*, to inability to secure insurance; and

*Whereas*, It is difficult for the individual jobber or manufacturer to do much to correct this dangerous condition of affairs; therefore, be it

*Resolved*, That the National Association of Credit Men establish a bureau to aid its members throughout the country in obtaining better insurance protection for their customers. Members, from time to time, to send to this bureau the names of merchants they find unprotected or inadequately protected by insurance; these names to be indexed to avoid duplication, and a systematic effort inaugurated by the bureau to induce the merchant to protect his stock by insurance; and where necessary, to aid in obtaining insurance, in cases where merchants have difficulty in securing same for themselves; the powerful influence of the association, representing the great credit interests of the country being relied on to influence the retail merchant to keep more adequately protected from loss by fire than is possible through individual and unorganized effort;

*Resolved*, That a special committee of three be annually appointed by the President, who, with the President and Secretary, shall constitute a committee with full power to organize and conduct this bureau.

Mr. Powell, of Kansas City—In offering this resolution we do it with the idea that the Association can do more than an individual. I think it is not necessary to argue the point that losses by parties who are not insured adequately is deeply to be deplored. It is a difficulty that we have all tried to obviate. It has been the custom for many years for merchants to stamp on their invoices and stationery very plainly, "Are you insured?" and that is a good idea.

It is also the custom of local associations to send out literature bearing on this point, and it occurred to us that it can be done at much less expense at one united office than separately, and that the individual tax on each member would be so much smaller than at the present time, as done by the individual, that we could afford to undertake the idea, and of course bringing it forward is more for discussion than anything else, as the subject is very deep; and we would like to see the problem solved. We all realize that the individual often hesitates to write a customer and say, "insure your stock or your bill will not be filled." This fear of offense is strong; and competition is so great that men take chances where they should not, in order not to lose a customer. Now, it seems to us that where a member finds a customer is not insured he can notify the National Association, and that the National Association with its powerful influence can bring pressure to bear and in various ways and get the man to insure when no one else can.

We also feel that by co-operating with insurance companies the companies would furnish local agents' names, and a list can be compiled in the National Office, and so, when a letter of inquiry is received, the local agent could call on the customer and use his influence to get him to take insurance. This might also be carried

still further and the co-operation of the insurance companies secured to the extent that local agents might notify our bureau of merchants who are not insuring, where our influence could be used; and in that way we could keep closer tab on these matters.

The expense is the only objection. The expense, of course, we want to keep down as far as possible. The National Association has a great deal of expense; but it occurred to us that a small *pro rata* contribution from 4,500 members, of say, 25 cents per capita, would do the work. Simple compilation by the card system of merchants' names as handed in would be the most important work, and one clerk could do that. That compilation and this sending out of letters as already prepared by a printing process with the name of the general secretary signed to it, might have a good deal of influence in a year's time.

Mr. Kadeski—I think this Association is reaching out further than it should. And I believe we are really stepping into the educational bureau field.

President—The substitute is not properly before us as it has not been seconded. Mr. Kadeski—Then I will second the substitute to bring it before the house.

We are talking economy here. We are not as well fixed financially as we ought to be, and why bring up measures that will take money out of our pockets that really belongs to other funds? I think it is inexpedient to start an additional bureau which will require additional help, and we will be forced finally, practically, to endorse certain insurance companies. I think we had better side-track that resolution and take up measures that will protect the interests of the organization in another channel.

Mr. Scharff, of St. Louis—The St. Louis Association has taken similar action to that proposed by this resolution; and I believe every gentleman present should recognize that it is highly essential that merchants in the country should carry insurance on their stocks. I believe very few of us have not lost some money through insufficient insurance on the part of our customers; and I believe it is plainly within the objects of this association to do anything that will benefit us as credit men in the protection of ourselves against losses.

I have only one suggestion to make, however, in regard to the resolution offered, and that is this: If the New York main office attempts to send out literature of this kind to the merchant, for instance in the State of Alabama and Louisiana or any of the Southern States, it loses its effect, because Alabama merchants, for instance, will say: "What do we care about the New York Association; we do business in Louisiana or Arkansas, not in New York." Before reading this resolution I had prepared one to the same effect, and I will explain how the St. Louis Association works this matter. Now, long ago our attention was called to a number of pamphlets published by the National Association, setting forth the necessity and importance of merchants carrying sufficient insurance. The St. Louis Association concluded that it would be well for each individual member to furnish our Secretary from time to time, with the names of merchants who carry no insurance. Our Secretary prepared a circular letter accompanied by one of these pamphlets. Now it makes no difference if that same merchant's attention is called by two or three different associations to this question—it only strengthens the necessity of carrying the insurance, and I would suggest in place of the National Association sending out such notices that the secretaries of the local associations be so instructed; and I believe it would be very much better, and I believe it is highly germane to the objects of this association to induce country merchants to carry insurance wherever they can possibly get it.

Mr. Gray, of Louisville—I am under the impression that the substitute resolution carries with it the idea of establishing some sort of bureau, not only as an educational institution, to induce the country merchants to carry insurance, which we all agree is a desirable thing; but it carries with it also a resolution that we shall assist the country merchants to secure that insurance, and I think it is wrong. The conditions as they exist in the various country towns, and as they exist in your own town, are entirely different, one from another. The risks or conditions may be moral or they may be physical, that prevent the merchant from securing the credit, for that is really what fire insurance is. Therefore, it seems to me that we are going beyond the limits of the policy of our association in trying to dictate (and practically that is what it amounts to) to the insurance companies as to the advisability of taking certain risks. We believe, and I believe I am voicing the sentiments of the Louisville Association in so saying, that the individual merchants or corporations should carry their own risks, that is, that they should place their own risks with the insurance companies. If they cannot place their risks, then the credit man is advised of that fact by the Mercantile Agency report or by information received direct from the customer or from his traveling man, or from such other source as may be at his disposal. The fact that that man is unable to secure the necessary insurance on his building, or on his stock, lessens the desirability of that customer as a credit risk; and is really a factor to which the credit man gives consideration. We may not be able to fully advise ourselves as to the reasons for his inability to secure that credit; but we take it for granted that the insurance companies who are all after the business, and will take the business if there is any reasonable chance of its going to somebody else, have some particular reason for declining to extend the necessary credit to that individual, as I said; but it may be a



moral or it may be a physical risk that they do not wish to assume, and I believe that is one of the points that the credit man should be guided by in extending credit to country merchants.

Mr. Scharff—I would like to read a substitute:

*Whereas*, A great many country merchants do not appreciate the importance of carrying insurance on their stock;

*And Whereas*, It is likely to cause ill feeling towards any individual concern that takes it upon itself to call attention to such failure;

*Therefore, Be It Resolved*, That the Secretary of the National Association be directed to prepare a letter to be distributed to the various local associations, which letter shall be sent by the Secretaries of such local associations to merchants who carry no insurance, and such letter to be accompanied by any literature which shall be published by the association bearing upon insurance as a necessary requisite to the securing of credit from wholesale or manufacturing trade, such names to be furnished the local Secretaries by members who desire to have such letters sent.

Mr. Present, of Rochester—I am opposed to any resolution that will saddle the National Office with any more work than it at present has. I think we had better let our Secretary attend to the duties he already has, and there are many of them, without saddling him with any more. I am very sorry for any credit man that cannot get a customer insured without asking the co-operation of the National Association to lend its influence in getting the customer insured. It seems to me that they ought to have enough influence with that customer to get him insured. Our National Association has tried to improve the condition of the credit man in every way, and we have tried to run his business for him and everything else. Why, the first thing we know, we might appropriate money to insure him, and that probably would be the cheapest way to get out of it. Now, let each credit man take care of his own business, but we are not here for this purpose at all, and I would move that the whole matter of insurance be laid on the table.

Mr. Scharff's motion was seconded.

The substitute for the substitute, as read by Mr. Scharff, of St. Louis, was then put.

A division was called for, as the Chair was in doubt as to the vote.

As there were 49 ayes and very few noes, the noes were not counted, but the President announced that the substitute had been carried.

Mr. McAdow, of Chicago—I would like to inquire whether we understood it properly; did you say that that substitute was for both the resolutions which were withdrawn?

President—That is right; it covers both resolutions which were withdrawn.

The Secretary then read the following resolution:

*Whereas*, In cases of loss by fire the responsibility of merchants becomes seriously impaired because of the fact that fire insurance held is found to be worthless; therefore, be it

*Resolved*, That the National Association of Credit Men urges upon all classes of merchants the desirability of having the insurance carried by them fully investigated and vouched for, as to the financial responsibility of the companies represented in such insurance.

Mr. McAdow, of Chicago—I am not in position and do not wish to make a positive statement, and yet it is a conviction with me that this resolution in some way stands for an endorsement, while not so on its face, yet it is true practically, of the companies who are doing the business of passing upon and recommending fire insurance, and who will, if this resolution carries, at once solicit every member of the Association, using this resolution somewhat as an argument; and while I do not believe it is the best way in a deliberative assembly to cut off debate by a motion to table, yet I think we should oppose the proposed resolution on the ground of our policy to avoid all entanglements.

Mr. Sweeten, of Philadelphia—I move to table the resolution.

Mr. Bannin, of New York—I second the motion.

Unanimously carried.

President—We will now take up the resolutions offered by the Investigation and Prosecution Committee.

Mr. Biggs, of New York—The Committee on Resolutions desires to state that certain resolutions have been submitted to it concerning the further management of the Investigation and Prosecution Bureau and the maintenance of the trust fund. In addition to these many suggestions have been offered to the committee upon this subject. The committee thought it advisable to consider the matter and as a result of such consideration takes the liberty of now suggesting to this convention that the following resolution be adopted as a substitute for the resolutions on this question appearing in the official program:

*Resolved*, that the further management and control of the Investigation and Prosecution Bureau, and the maintenance of the trust fund be referred to the Board of Directors with power to act.

Further, I would say that other resolutions prepared by the Committee on Resolutions are on the table of the Secretary and will be later presented to you.

Mr. A. W. Rich, of Milwaukee—On behalf of the Milwaukee delegation I desire to state that in our opinion that is probably one of the most important questions that will come before this Convention at this time. I desire further to

say, as a preface to my remarks, that we appreciate fully the conception of the idea of the Prosecution Bureau, but that idea, like all other ideas, is simply a germ, subject to improvement and development, and for that reason a special committee was appointed by the Credit Men's Association of Milwaukee that had this matter under consideration for some time, and we have evolved a plan or proposition which we must confess is not absolutely perfect at the present time, but it is entirely in opposition to the resolution read by Mr. Biggs. We appreciate the efforts that have been made by the Board of Directors in behalf of everything pertaining to the welfare of this association, but we believe that the time has come when upon this resolution we should obtain the sentiment of all the members present. Our resolution is contained in our BULLETIN and is preceded by some resolutions offered by somebody else, and as they are somewhat in conflict with what we offer, I would therefore suggest that the resolution as submitted by the Milwaukee Association be read, and this Convention be given an opportunity to consider the matter carefully, as it ought to be considered. I do not approve of the idea of overloading the Board of Directors with all kinds of work, and I have in my hand a report of that committee which suggests our very thought, and that is, that the Secretary of the National Association is already overtaxed, and this simply would place him in the position where he would have his work added to, and I trust that the resolution as proposed by the Milwaukee Association will be placed before the Convention.

President—Do you wish that report and the recommendations of the Association read?

Mr. Biggs, of New York—Read them all.

Secretary—The first resolution is as follows, and is not the resolution proposed by the Milwaukee Credit Men's Association.

*Resolved*, that the following changes be made in the general plan and rules of the Investigation and Prosecution Bureau.

1. The title of this Bureau shall be changed to "Prosecution Bureau of the National Association of Credit Men."

2. The Board of Trustees of the Trust Fund shall consist of the President, Vice-President, Secretary-Treasurer, and Chairman of the Investigation and Prosecution Committee.

3. The replenishment dates of the Trust Fund shall be January 1st and July 1st of each year. The amount to be raised for such replenishment shall be assessed *pro rata* upon the organized and individual memberships of the Association.

4. The Prosecution Bureau shall not be expected to handle cases in bankruptcy, but upon satisfactory information that the examinations in bankruptcy have developed material upon which to base charges of fraud it shall be the duty of the bureau to carefully examine the minutes of the bankruptcy proceedings, and then determine as to the advisability of instituting criminal prosecution.

5. The five per cent. assessment upon the members and creditors interested in prosecution cases shall be abolished, the entire expenses of these cases to be defrayed from the Trust Fund."

The following is the resolution of the Milwaukee Credit Men's Association:

*Resolved*, that in each commercial center, where an Association of not less than 100 members exists, or in each State where the membership is not less than 100, there shall be appointed by the President of the National Association of Credit Men, a committee of five called the Prosecution Committee for Fraudulent Failures, three members thereof constituting a quorum.

That it shall be the duty of such committee to consider the nature of any failure reported by a member of the Association, within its jurisdiction, and if they conclude that successful criminal prosecution can be maintained, the complainant, on being empowered by the Committee, may institute proceedings by employing detectives and attorneys.

That said Committee shall be empowered to draw on the Prosecution Fund of the Association in an amount not to exceed \$500 for such purpose, whereof any part not used shall be returned to the Prosecution Fund.

That five per cent. of the claims be thereafter collected from each creditor, having a claim against the debtor, by personal solicitation of the complaining creditor, endorsed by the Committee so authorizing prosecution, under the name and authority of the National Association of Credit Men. That any sum realized by the five per cent. assessment, not used, be returned into the Prosecution Fund of the National Association.

That all proceedings and expenditures shall be under the jurisdiction of the Committee, and under no circumstances shall a compromise be made with debtor after proceedings have been instituted, except by authority of said Committee.

That when the Prosecution Fund of the National Association be reduced to \$5,000 a call shall be made upon the local associations, and the members of the National Association, for \$1 for each member, to keep the Prosecution Fund intact.

There shall not be drawn from the Prosecution Fund of the Association more than \$500 in any one case, the particulars of each case to be furnished the National Secretary by telegraph or mail, at the time draft is made, so that there will be no possibility of cases being instituted against the same debtor in different places, the first committee so applying, being recognized by the National Association in the payment of its draft."

Mr. Rich, of Milwaukee—I think it my duty to explain a portion of the resolutions offered. One of the principal features, we consider, of a Prosecution Fund, and one of the chief advantages is to act quickly, to investigate immediately and prosecute promptly, which seems to be an impossibility if we have to communicate with the Secretary of the National Association, unless we live right in proximity to New York. If a man lives in Portland, Oregon, or in Milwaukee, or in Denver, and a case of the kind which requires immediate action comes up, we are delayed in the most important part of the work in bringing the criminal to justice, by losing that amount of time.

Furthermore, we believe if this matter is submitted to five members who may be selected by any local association, their judgment passed will be quite reliable as to whether the case is one that can be maintained against the so-called fraudulent debtor. Upon their decision that such is the case, all you have to do is to take the advice of your attorney. If the attorney with the instruction that he receives from the party injured, and from the committee, seconds your idea, then we consider it perfectly safe and proper to commence your prosecution, instead of delaying for a week, two weeks, three weeks or four weeks, as might be the case in correspondence with New York. This is the principal feature of the thing.

While I am on the floor I would say that I consider that this department of the National Association is worthy of a great deal more money than what we are to-day contributing to it. We ought to have a fund of \$50,000 instead of \$10,000, so as to be able to reach and prosecute such cases without stopping to think whether it is going to cost \$200 or \$500. I consider next to the bulk law it is the most important work of this Association.

Mr. Evans, of Philadelphia—It seems to me this matter is one of too great importance entirely for us to decide upon any definite plan in a convention of this kind, unless that plan has been properly and carefully drawn up and submitted to us by critical analysis.

The operations of this bureau must be guided by our experience largely. Now, I think that the Committee on Resolutions have solved the matter; they have offered a resolution which is now before this body, referring it to the Board of Directors. These men we elect to look after work of this kind, to give work of this kind careful and calm consideration, and the matter does not have to be hurried, when many of us get off the track when talking about it; and, therefore, Mr. President, I am heartily in favor of adopting the resolution as offered by the Committee of Resolutions.

This is one of the most important matters with which this association has to do; and instead of the fund being \$10,000, or even \$50,000, as Mr. Rich has suggested, it should be at least \$500,000. With a fund of \$500,000 we would then be a power in this matter. That seems at first a little stiff to us who are a little short of \$100 occasionally. (Laughter.) But this association is large enough to raise \$500,000 in five days; and if you want \$500,000 Philadelphia will do its share in the same proportion that it has done for \$10,000—that is, a little more than one-tenth of the whole thing. I will guarantee you that we can raise at least \$50,000 to \$75,000 in Philadelphia towards this fund. It is not a question of going to a merchant and say "Give us \$150;" we will ask for \$5,000. This money will be deposited, invested in good securities, and the interest will more than pay the expenses of working it; and the fact that that fund is in existence will be of so great importance that within a few years there will not be a dishonest debtor in the country. (Laughter and applause.) He will go somewhere else to operate, and dare not stay here; and when we reach that state of our existence, vacations will be longer, our lives will be lengthened, and it will be a pleasure to live in this fine country of ours, whether in St. Louis or the great city of Memphis, of which we have heard so much but never have seen (great laughter), or whether we go down east to Boston and eat baked beans, fish balls and clams.

Gentlemen, we cannot discuss this matter thoroughly to-day; it is impossible to do it properly; and, therefore, I call for the question on this resolution, and I second the motion.

Mr. Lewando, of Boston—I request that the resolution as offered by the Boston delegation be read, as well as every other resolution bearing upon this question.

Secretary—The Committee on Resolutions has a resolution from Boston, but the Secretary has no such resolution in his possession.

Mr. Lewando—I thought the Secretary had it.

Mr. Biggs—From 1 until 3 o'clock this morning we were considering this matter, and I think the resolution is among the papers in the possession of the Secretary of the Committee, and I do not see it now, but we thought we had done our duty in preparing this resolution.

(Copy of the resolution referred to by Mr. Lewando was then passed to the Secretary who read it.)

It is as follows:

Resolutions adopted by the Boston Credit Men's Association referring to the \$10,000 fund for the prosecution of fraudulent failures, and proposed to be incorporated into the plan.

*Resolved*, That in each local association there shall be appointed by the President of the local association a committee of five, called the Prosecution Committee for Fraudulent Failures, three members thereof constituting a quorum.

That it shall be the duty of this Committee to consider the nature of any failure reported by a member of the association within its jurisdiction, and if they conclude that such a failure is of such a degree of fraud that successful criminal prosecution may be maintained, they shall forthwith notify the Chairman of the Committee of the National Association, giving him the necessary facts together with the opinion of the prosecuting officer in the district wherein the case occurs, as to the advisability of commencing criminal proceedings.

That the expenses of the preliminary investigation shall be made by the creditors interested in the failure, under the charge of the committee of the local association in whose jurisdiction the failure occurs. If the case warrants a further investigation the local committee shall report the facts to the National Committee as above stated. If on the facts presented the National Association proceeds with the case, they shall reimburse the local association for the amount expended in such preliminary investigation.

Mr. Burt, of Buffalo—I think that the Chairman of the Committee on Resolutions has given you the meat of our deliberations last night. We discussed this for a very long time—this resolution from Boston and the resolution offered from other cities—and when we had finished we were no nearer the end than when we started. We could see that in taking this into the Convention there was so much about it to discuss that we would do nothing else, we would be unable to complete our work here, because there are other matters of importance to bring before the Convention. We, therefore, drafted a resolution which the Secretary has, to refer this matter to the Executive Committee, where they can take proper time to deliberate and work out something that will undoubtedly be to the satisfaction of the members of the Credit Men's Association.

(The question was called for.)

President—The question has been called for. All in favor of the adoption of the resolution as offered by the Committee on Resolutions, through its chairman, Mr. Biggs, will say aye.

(Carried unanimously.)

Mr. Kadeski, of Quincy—I have now a separate resolution to offer, which is as follows:

*Be it resolved*, that this committee hereby authorize the Prosecution Committee to have the Secretary and Treasurer issue a per capita call to not exceed \$1 to be used to replenish the Prosecution Fund whenever that sum falls below the amount of \$5,000.

This is done to replenish our fund, which is near low water mark now; and if we prosecute the cases on file in the Secretary's office we will not have a thousand dollars left at the end of this year; and how are we going to prosecute new cases? I would state that I have a case on hand in which I am certain that we will have the first conviction in the State of Illinois; I hope the good sense of this Convention will prevail and that our prosecution fund may be increased to \$50,000 in three years; and I hope you will vote at least a starter of one dollar per annum as a per capita contribution towards the prosecution of these cases, and if an additional dollar is needed, the credit men will not begrudge the organization one dollar towards this fund.

President—Does not the plan adopted provide for the replenishment of the fund?

Secretary—It does by subscription not by compulsion.

Mr. Burt, of Buffalo—I am very much surprised that our friend from Quincy, who was a member of the Committee on Resolutions and argued at very great length last night the pros and cons of these different resolutions and voted in favor of passing the resolution that that committee presented here, should get up now and attach a string to it, and I oppose it.

President—There has been no second.

Mr. Evans, of Philadelphia—I arise to a question of privilege. Mr. Apperson, of Memphis, is after me, because I said something about his village. He says it is not a village, and I said I would leave it to the Convention.

Mr. Apperson, of Memphis, then came forward amid great applause and said:

My friend from Philadelphia undoubtedly is attempting to goad me on to say something in regard to the Queen City of the South. Gentlemen, last evening on the boat excursion I met a very beautiful young lady, a highly cultured young lady, she might have been from Boston, but she was really from St. Louis, and she said: "I am ever so pleased to meet you; I understand that you are the funny man of the Convention." (Laughter.) Now, gentlemen, I am glad of this opportunity to convince you that I am not the funny man of this Convention. I desire to-day to speak on more serious matters—not that any other matter could be more serious than the beautiful city of Memphis (applause), but, gentlemen, I have watched for some time the growth of this Association and it recalls to me a very beautiful voyage that I had a number of years ago in the South Pacific Ocean. There the coral atolls -- islands are beautiful. The little coral insects start at the bottom of the sea, build up through years, till finally an island rears itself above the waters; the washing of the waves, the dropping in of a little coconut seed, the shifting of the sands continue until it rises and rises with its green foliage and becomes a beautiful island. Likewise with the Credit Men's Association. But a few



years ago the seas of commerce being tranquil, a few spirits gathered together like the little coral insects, and began building of rock a solid foundation upon which is based the National Association of Credit Men. (Applause.) And it has grown until with the washing of the waves of commerce from Massachusetts to California, it has collected a representative body of men, unequaled by any body of men ever gathered together in the great United States.

As for the growth of this organization, you have all watched it from its infancy; you have watched the great minds who have carried it along and brought it to this successful issue.

You have watched your Presidents as they presided over the organization during the period of their occupancy of the executive office, and as they have gradually gone along, as each one has stepped out of the chair, some little memento has been given him, some souvenir of the magnificent work that had been accomplished during his administration. These souvenirs, these mementos, are mile-stones along the path of progress.

Gentlemen, I desire to-day to call your particular attention to the progress made by this association during the years 1901 and 1902. The gentleman who during that period occupied the Executive Chair of this Association is well known to you all; he has devoted years of time, of energy, or perseverance and ability to the upbuilding of this grand association. (Applause.) He has, without a doubt, on all occasions, had the interest of it fully at heart, and within the period of his incumbency it has made more rapid progress than at any other time within its history.

On this occasion we are adding one more mile-stone in this path of progress, and I desire at this time to call upon the gentleman, that noble, stalwart son of Minnesota, to come to the speaker's desk—Mr. Young, of St. Paul.

(Amid great applause and enthusiasm Mr. Young came forward.)

Mr. Apperson—The pleasure is mine to-day, as the representative of the Credit Men's Association, of the individuals gathered here, to present to you a token of their love, their esteem, their regard, their recognition of your noble work, and your unselfish devotion to the cause.

This loving cup is presented on behalf of the entire association; may it always bring gladness to your noble heart: may it always overflow with the milk of human kindness, and may it be filled with good wishes for your future welfare and prosperity from each and every quarter of this great United States, and may all credit men remember the work that you have done for them in future generations.

(Long continued cheering.)

(Here Mr. Apperson presented Mr. Young with a magnificent large silver loving cup.)

Mr. E. A. Young, of St. Paul—Gentlemen, you have taken me so much by surprise that I have hardly a word to say to you. There has been no former President of this Association who has had any use in the world for a loving cup. I suppose that these gentlemen have selected it owing to its appropriateness for me; I have a great deal of use for it. It is needless to say that the kindly spirit shown me by you gentlemen is highly appreciated. I have always felt that I had in this association a number of warm friends, but I did not believe that anything of this kind was going to happen. I want to thank you all very sincerely. (Great applause.)

President—I will turn the gavel over to the Secretary.

(The Secretary here took the chair.)

Mr. Foster, of New Orleans—I move that we proceed to the election of officers.

Motion seconded and unanimously carried.

Mr. McKee, of Philadelphia—I move that the National Secretary be instructed to cast the ballot of the association for Mr. J. Harry Tregoe, of Baltimore, as President for the ensuing year.

Unanimously carried by rising vote, and so done.

Chairman—The National Secretary desires to announce that he has cast the unanimous ballot of this association for Mr. Tregoe, and with a great deal of personal pleasure and pride, because of the success President Tregoe has achieved in that office. It is my honor to resubmit the gavel to you, sir.

(Long-continued applause.)

President Tregoe, in Chair—Gentlemen, I can only thank you once more for this splendid expression of your confidence and regard for me, and I shall endeavor to the utmost of my power to administer the duties of this office with your assistance, to your approval and the advantage of the association.

I merely wish to emphasize one thought: our association is still a baby, but through your careful watchfulness, through your jealous nurture, through your healthful atmosphere, the infant is perfectly formed in its members and sound in its constitution. We wish to have it grow in such a way; and I can only say to you through a divine expression, it must increase or we must decrease.

I know some members have come to this Convention with thoughts that certain matters would be accomplished. Some may be disappointed; but, gentlemen, it seems to me that we have done everything in a very thoughtful manner, and do not under any circumstances cherish that disappointment; but if you have a righteous thought for this association, if you have anything in your heart that means its improvement and betterment, do not be discouraged, but go right to work.

Failure only strengthens our muscles; come at us again; let there not under any circumstances be a falling away due to the keenness of disappointment. May our ranks be intact, and whilst I may never face again this circle just as it is constituted to-day, yet I ask you to remember that by your executive department every thrust is felt keenly, every help is recognized broadly. We are men together in fellowship, and we hope to report progress and an onward movement in our thought of clarified business atmosphere and integrity, that will not only embrace us, but embrace every class of men who love what is honest, just and right in business. I thank you. (Long-continued applause.)

(The orchestra then played "Maryland, My Maryland" amid enthusiastic applause.)

Mr. Bannin, of New York—I move that we proceed to the election of a Vice-President.

Motion seconded and unanimously carried.

Mr. Fitzgerald, of Milwaukee—I move the Secretary of the Association be instructed to cast the unanimous ballot of the association for Mr. Hanlon for Vice-President for the ensuing year.

Motion seconded and so done, and Mr. Hanlon received the unanimous vote of the association, and was declared duly elected Vice-President of the Association for the ensuing year.

(Voices: Hanlon, Hanlon, loud cheers and confusion.)

President—Mr. Hanlon is so eager to make that speech that he did not wait for me to appoint two of the members to bring him up.

(Mr. Hanlon then came forward to the rostrum, amid laughter and applause.)

President—I am almost tempted to make him sit down, but inasmuch as he is here and is an old man, I will let him stay. (Laughter.)

Mr. Hanlon, of St. Louis—When the vote was announced, two of my stalwart neighbors asked me if they should escort me to the rostrum, but I said I could walk—I came home very early last night. For the past 24 hours I have been miserable. Up to the time my name was mentioned yesterday I was a very happy man because I thought I was not going to be troubled in any way in an executive capacity. Suddenly I was awakened to the idea that I was going to be put up here where the limelight would shine on me. I always like to be in the rear ranks—you meet the best Indians back there (laughter), that is, the congenial souls. Last night on the boat I was still worrying and communed with myself thus: "Now you have got yourself into trouble by accepting and by telling the gentlemen that you want to be president," but this morning I woke up and I am satisfied that I have got this problem solved. I have been trying to find out who it was that set up this game on me, but I have not succeeded altogether, but they are good politicians, I can say that for them. They have sidetracked me effectually. (Great laughter and applause.)

As far back as I can remember in this Association, I don't know as I could recall the name of a vice-president (great laughter)—certainly he never occupied the executive chair, and I can see my hopes go glimmering. I am now already among the "has beens" and the "also rans," but gentlemen, bear with me, I won't have a thing to do this year. A little while ago, while President Tregoe was making a talk, he scared me about half to death when he said: "Gentlemen, I may never see you again as you are assembled;" and I thought: "What, for God's sake, is Tregoe going to die and leave me to act for him!" (Great laughter and applause.) I looked at him, saw he really was just talking on the good side, you know, and I thought, "This combination is going to win. Tregoe represents the saints and I will represent the sinners." (Great laughter and applause.) I do not know what we will have to do with Brother Prendergast in this combination, but I learned from him last night that he did not smoke or drink, and somebody had to nearly leave the hotel when he made the mistake of asking Brother Tregoe whether he would go back and see a man. So you can see I have got to do what Brother Young did while he was president (great laughter and applause), and if I have done it as well as Brother Young has done it, and deserve a loving cup, I hope that you will make it a large one, because when I looked at that when I came up here, I thought: "Well, Young has got a capacity anyhow" (laughter), and those who made the presentation certainly observed that. Gentlemen, I want to thank you again most heartily for this honor. I consider it a great honor—I am going to do the best I can for you, but I will ask you as a special favor not to consider me in any light more than a vice-president. I do not want to go higher; I do not want any of these honors. You may say: "Don't refuse a thing before it is offered to you," but I know the same fellows that put this job up on me may go out and do it again. I want to stay with Governor Crittenden and when there is trouble to go out to the baseball park. He hounded me yesterday continually, and kept saying: "Don't forget the baseball game this afternoon," and I took him. Now, if I were president I could not do that, I would have to represent the dignity of the office. I am always willing to let the other fellow be dignified, and I will try to enjoy life in a quiet way (laughter). If there is anything I can do in my official capacity (I don't know what the duties are myself), but if any of you gentlemen can learn of anything I can do to alleviate your sufferings as credit men, or bring you to the throne of grace occupied by Tregoe, let me know and I will come forward and give you a helping hand.

Credit men are a sort of cynical body of men. Every time you make a credit man a statement he tries to find out how much you boosted him. We saw that effect of boosting this morning. One gentleman modestly said we should have \$10,000 in the Prosecution Fund, and the next gentleman raised him to \$500,000. So you see we doubted his statement at once when he said he could raise \$75,000 in Philadelphia in five days—and still they say Philadelphia is slow.

But, gentlemen, let us bear this in mind, perfect candor with each other when we are asking for references—that is all I want. I had an experience this season, and I don't know whether it is entirely ethical or not. I wanted to provoke a fight, but I did not do it. A party applied to us for credit, and gave me five references, and I called on them and got adverse testimony in each case, put the goods back in stock, and the party came back at me with the usual kick and howl, and said that it was singular we did not ship those goods; that in the meantime they had bought their goods from another house (which, however, happened to be one of the parties to whom we referred, and they said they did not know the party). I replied and detailed the answers from the five houses, and said: "You were a stranger to us; you applied for credit and gave us five references; we called on the five and each stated as follows: No. 1" (etc., down the line). "Now, if these five houses have done you an injustice, it is up to you and them—we are free." I do not know now whether that was entirely square on our part to give away this information; but we were up against the real thing and had to do something. That gave me a lesson in "toting" fair; whenever you are called on for references do it fair and square.

But I did not intend to lecture you. There is a serious side of life even when you are Vice-President. Probably by this time next year I will be so weighed down with dignity from this official position, that like Brother Tregoe, I will not be in a position ever to face you again. (Great applause.)

The report of the Credentials Committee was then presented by the Secretary as follows:

There are 162 delegates present representing local associations, 9 delegates of local associations are represented by proxy, 49 individual members are present, individual members represented by proxy, 129; total vote to be cast, 349.

\* Each delegate is entitled to one vote as such delegate. If any delegate is also an individual member he is entitled to vote as an individual, therefore casting two votes. Any individual member or delegate who represents proxies, as they are announced, is entitled to cast the same number of votes as the proxies he represents, in addition to his other votes.

(The Secretary then read the list of proxies and the number of votes to which they were respectively entitled.)

President—The next order of business will be the election of directors, and I will appoint as tellers Mr. Mariager, of New York; Mr. Gray, of Louisville; Mr. Badger, of Minneapolis, and Mr. Albert H. Wolf, of New Orleans.

(A recess was here taken for a short time, and then the Convention reconvened.)

President—We will now take up the subject of the next place of meeting.

Mr. Biggs, of New York—Mr. President and Ladies, who have so charmingly and gracefully honored us by attendance at our meetings, and friends: The time has come very near when we will part, and we now have to consider the next convention. It is almost impossible for any other city to do for future conventions what has been done in the past and for us here in St. Louis; and especially when we consider that the members of the St. Louis Association have given us their time and attention, and extended their courtesies in the face of a very anxious period when their city and the surrounding territory have been subjected to these disastrous floods.

On behalf of the New York Association of Credit Men I present the name of that city. We have for several years been desirous of having New York chosen as the place of holding your convention, but, as I believe you will agree with me, the New York delegation has waived its claims, in the interests of the National Association and retired in favor of other cities. The time has now come when we really think we are entitled to it, and although we cannot promise you the charming entertainments and welcome that have been accorded by your city here and by other cities, I can say honestly that we will do our best, and if you come to New York we shall try to make you feel at home and emulate what has been done by other associations in other cities. I, therefore, Mr. President, if I am permitted, move that the next convention be held in the City of New York. (Applause.)

Mr. Smith, of Cincinnati—I second the motion that the next convention be held in the City of New York.

Mr. Lewando, of Boston—In behalf of Boston, while I am very sorry that we cannot get the convention there, I second the motion of Mr. Biggs.

Mr. Salisbury, of Minneapolis—In behalf of Minneapolis the Credit Men's Association of Minneapolis wishes to tender to you the use of that city for your next convention. I have invitations from our city officials and various parties, but you know they can be no warmer than the Credit Men's Association of Minneapolis would extend to you. In 1897, at the convention in Kansas City, the Minneapolis Association extended an earnest invitation which the convention saw fit to refuse at that

time, and we have always lived in the hope and expectation that the time would arrive when we could secure this association in Minneapolis. Our association needs it, we need the encouragement. We wish to emulate the examples set by the different associations, in the marked increase of membership, under the stimulus of a meeting of the National Association. We have no fear of the accommodations that we can offer you, and the advantages in every direction for the performance of your business and for the pleasure which always attends these meetings.

We have, perhaps, done our full share in the work that has been done by this association. We were represented at the first meeting held in 1896; we have been represented at every meeting since that time, and as our record shows, identified in the movement of the bulk law, having been the second State to secure the passage of that law, Louisiana being the first. We are proud of our record and wish to continue in the good cause.

As to advantages, we have heard *sub rosa* of a good many that will be offered to you. If you desire the strenuous life of New York, we have St. Paul that can entertain you within our limits. If you desire the hearty western welcome we have received at Kansas City and St. Louis we can offer it to you in Minneapolis; we can give you the quiet of a watering-place at Minnetonka.

We recognize the advantages of other places. Our delegation I think was the first to recognize that Memphis was the metropolis of the south. We admitted that immediately on hearing the proposition made, and we are now looking forward to the time when it will detach itself from this lowly sphere and become a pleiad of the heavens. (Great laughter and applause.)

Mr. Chairman, I move as a substitute that this Convention select Minneapolis as the next place of meeting.

Mr. Foster, of New Orleans—I have listened with considerable interest to the warm invitation of Mr. Biggs, of New York, and the equally warm one from Mr. Salisbury, of Minneapolis; and there came to me the sunny southland, the magnolia, the mocking-bird and the trailing moss, and the echoing call of the tinkling of the waters of Minnehaha; and there came an appeal to me to go again to the Falls of Minnehaha; and I ask each one here to think of the most beautiful scene, the most exquisite picture, the most beautiful music that he ever has known, and then think of the Falls of Minnehaha, and I can tell you that there is an inspiration at the source of the great stream of the Father of Waters upon which is situated the metropolis of the South, the Queen City of the Mississippi Valley; and I do not believe that the members of this association will ever receive a warmer welcome or a warmer handshake anywhere, or that they have received any that will exceed the welcome which Minneapolis will tender. I believe that we will have a glorious time in Minneapolis, and that we will be able to build up there such a growth in the Credit Men's Association as will make the growth of Duluth seem insignificant. It is not far from Duluth, that wondrous city! And we might be enticed to go by way of that city to see what nerve, industry and American pluck can accomplish.

I am very anxious myself to return to Minneapolis. I have a personal feeling in the matter and a vivid recollection that the most delightful time of my life was spent in Minneapolis, and I want to go back again, and I wish that each of you would carefully consider this warm invitation of Minneapolis and join me in hoping that she will get the next convention.

Mr. Fitzgerald, of Milwaukee—I wish to support the motion of Mr. Salisbury in inviting the convention to Minneapolis.

Mr. McAdow, of Chicago—Mr. President, Ladies and Gentlemen: I have just one feeling right now stronger than any other. If I had the eloquence of Mr. Apperson, or if he had my town, it would be all over but the shouting, and New York and Minneapolis would be left at the post. Through the courtesy of the President of our delegation, it is my pleasant duty to invite this Association to select for the place of holding the Convention of 1904, the greatest city on earth. (Applause.) I hardly need mention the name, and I want to thank Mr. Biggs, of New York, for the eloquent and graceful way in which he recognized the presence of the ladies of the Chicago delegation. Chicago is a great city, not only because of what it has accomplished in the past, challenging time and time again the wonder and admiration of the world, but it is greater still in the possibilities of the future—a great magnet, drawing the rest of the world to it, a gem set in the diadem of the Great Lakes, standing upon the highway of the commerce of the world and stretching its hands, one to the Occident, one to the Orient, and saying like Monte Cristo: "The world is mine"—and it is pre-empting a good deal of it by the exporting of its goods, so that it has come to be true that the sun never sets on the canned beef of Chicago. (Great laughter and applause.) Now, this power, this magnetism by which it is drawing the rest of the world to it, is something not to be ignored. We can almost hear the gasps of dismay coming from New York, that respectable and venerable city of the past ages—when they feel their financial anchor just dragging a little under this pull that is as irresistible as the power of gravitation.

Now, brothers, to make a heart-to-heart talk of it, come to Chicago. There is a story told of a lady who had a farm to sell and she put up a sign: "For Sail," and some facetious fellow came along and said: "When is this craft going to sail," she said: "I don't know, Mister, but I think just as soon as some fellow comes along and raises the wind." (Laughter.) Now, in Chicago we can raise the wind; and



whether it is a favoring breeze that is going to waft this Association on to success, or whether it is that gentle zephyr blowing from the lake in the summer time, making us the greatest summer resort in the world, to either you are welcome (great applause). We have brought a sample of our weather with us for the use of St. Louis during this Convention (laughter), and you have to-day here a sample of our weather. Now come on next year and get it in bulk, come to Chicago and get next to the heart of the business center of the world and feel the pulse beat, the immense throb of the business that you will find there, come and get acquainted, not with the austere official side of our credit men, but meet them when they unbend, and you will have an experience that is worth the trip.

Now, Mr. President, I have the pleasure of moving as a substitute for all motions before the Convention, that Chicago be selected as the next place of meeting for this Convention.

Mr. Young, of St. Paul—Gentlemen, it seems to me that you want for a place for your Convention a city that has something to recommend it besides its wickedness (laughter). As I look around among you gentlemen here, it does not seem to me that you want to pick out a city simply because it is a wicked place. What you need is a quiet, comfortable, easy place, and that you have in Minneapolis. There is no noise, no wagons going by in the streets, nothing going on and all is quiet and suited to deliberation. When we go to New York we will be put off at the Waldorf-Astoria and we are all unused to it, and most of us would not turn up at the Convention at all; and it is quite as bad at Chicago. I was in Chicago the other day dining at the Union League Club, and along about 12 to 1 o'clock I said: "Well, I think I will walk over to the Chicago Club" where I was stopping; somebody said: "I will order a coupé for you." I said: "No, I don't want any coupé—why a coupé, it is only a few blocks." But they said: "You couldn't get from here to the Chicago Club to save your life, without being held up!" (Great laughter.)

Now you people can go to Minneapolis and have the quiet there of Herculaneum, and to those who do not want it, within 25 minutes you are in St. Paul; and we could give you a strenuous life over there, the metropolis of the northwest. Only get on board of the cars and in 25 minutes you are whisked from the repose of the quiet country to the ceaseless activity and interest of a great city. (Laughter and applause.) It would be comparable only to the delight of holding your Convention in Philadelphia and spending your evenings in New York. I hope you will go to Minneapolis. (Applause.)

Mr. Field, of Philadelphia—It is delightful to enjoy this little pleasantry; but there is one question that weighs heavily on my mind, and that is, what is best for us to do for the interest of the organization. I think it is well for us to consider 1904 and the World's Fair we are to have in this great city of St. Louis. Now I consider that the trend during 1904 will be altogether towards St. Louis. If it is not it certainly should be; and I hope it will be (applause)—and it is an important question as to where men will come from the west and from the east. My personal feeling, I suppose, would be to go to New York, because it is so convenient. But I have had an invitation placed in my hand and I am requested to extend this invitation to this convention. I know a beautiful island called Mackinac, where is a magnificent large hotel, and I can vouch from personal experience that it is the most delightful place to think and study and rest and walk and talk; and the proprietors of the Planters' Hotel, have requested me to present to this Convention an invitation to hold its next meeting on that island, Mackinac Island, in that beautiful hotel (applause). There are many pleasant things about that place. It is restful, we will have no temptations to go around, whatever, and therefore I most cordially and cheerfully, on behalf of the Planters' Hotel, extend an invitation to hold your next Convention on Mackinac Island, and I therefore move as a substitute for everything else, that is before us, that we hold our next Convention there.

Mr. Apperson, of Memphis—Mr. Chairman and Gentlemen of the National Association: I have heretofore been introduced to you by the gentleman from Philadelphia. (Voices: What is your name, stranger?)

Mr. Apperson—Apperson, of Memphis. (Laughter.)

I would say in regard to the town from which this large delegation comes (these are all Memphis people on this side), you have all noticed the overflow and the desolation in the valley of the Mississippi; the waters are still raging directly towards Memphis; but Memphis stands on those high Chickasaw bluffs; her doors are wide open; the same mocking-bird that sings in Louisiana sings in Tennessee a glad welcome to the stranger; the same stately magnolia that blooms in Louisiana bends and bows to the breezes of Tennessee a glad welcome to the stranger within our gates; the beautiful cape jessamine, the lovely pansies and daisies as they peep from beneath the grass, wink a welcome to you. The hospitality of Memphis is known the world over; and when last year a small delegation of three and one-half (laughter)—three members and myself—returned to Memphis and reported to the Memphis Credit Men's Association that this convention had not accepted the invitation to Memphis, think of the surprise and consternation that was created among them. The Memphis delegation is here to-day—what do they come for? To assist in your deliberations? No; they have come to see the manner of men who

have refused an invitation to Memphis. (Continued laughter and spontaneous applause.)

Now, gentlemen, permit me to say that a number of years ago De Soto discovered the Mississippi River—he discovered it at Memphis (laughter and applause), from the Chickasaw bluffs. A number of years ago a few Dutchmen located New York; the telegraph has since connected New York and Memphis; we have grown up together (laughter). Those friends of boyhood and childhood, they tell me, we never forget. We have gone upward and onward in prosperity together (laughter). We are connected by iron and steel ties that cannot be broken. I assure you that the feeling in Memphis existing for New York is one of the profoundest love and affection; we have at all times extended aid to New York in its adversity (great laughter and applause), and, gentlemen, when my friend from the jetties of the Mississippi River endeavors to give you the Minnehaha (great laughter and applause and continued cheering), do not for a moment entertain that idea. No, gentlemen, let me assure you seriously, that in my humble opinion it is for the benefit of the association to go to New York, notwithstanding the force of the argument that the Windy City man makes that that is the greatest town on earth—the Windy City—and, gentlemen, considering the objects of this association, credit and confidence, in this great field of commerce, we must go to the financial center of the United States, and soon to be the financial center of the world (great applause)—we must go there. This convention has invariably moved westward; let us go back to the east and then bring them south and then west again. What we need for this convention is to go to New York, and I trust that all of these fair southern cities, the delightful Louisville, the lovely Atlanta, the exquisite Nashville, and Memphis, combining all the virtues of all the cities, will vote unanimously for New York. (Great applause.)

Mr. Standart, of Denver—Mr. President, Ladies and Gentlemen: I am shrewd, for I waited for my friend to get through. I went to him this morning and I said, "Mr. Apperson, you are an attorney, I believe;" he said, "Yes, sir;" I said, "I would like to see you about this convention for next year;" he said, "The New York people have already retained me." (Great laughter and vociferous applause.)

Mr. Apperson (interrupting)—I would ask the gentleman if at that time I did not state to him that that retainer fee was one of the dearest and best fees I ever had received in my life, because it brought closer together the two great cities of this country, New York and Memphis? (Great applause and laughter.)

Mr. Standart (resuming)—Seriously, gentlemen, I think we are here with one purpose; we are here for the good and benefit of the National Association of Credit Men. I do not think my friends from New York want us to go to New York unless it is the sentiment here that it is for the best interests of the National organization. They have already expressed themselves so, and I know, they still feel the same way. Denver, which I represent, is in the same position. We have stood always for the best interests of the National Association. Last year we understood that St. Louis desired to postpone their convention here until the World's Fair year. We said at that time that we would be glad to have the convention in Denver if St. Louis did not want it, but only upon those conditions. We are very glad that we came to St. Louis. I have been asked repeatedly whether Denver is seeking this convention; Denver has never sought anything from this association; we are loyal members of it; we want for this organization what is for the best interests of all. At the same time, gentlemen, Denver is, like our friends, Mr. Tregoe and Mr. Hanlon, in a receptive mood; the lightning rod is standing above our Capital, and the Rocky Mountains are looking down upon it; and if this association desires to come to Denver (if Mr. Young will come), we will give you the time of your life.

Mr. C. M. Rice, of Duluth—This Convention has been proud to honor Governor Crittenden, who has spoken fondly of Kentucky as his native State. Once in the halls of Congress a Representative from Kentucky made himself famous by a great speech; he also made famous the name of the Dreamland City; that man was Proctor Knott; that city was Duluth, the Zenith City of the Unsalted Seas—then a dream, a caricature; by the irony of fate now fast growing to a fair reality. On behalf of the head of the Great Lakes, where rails and water meet, the gateway of the great Northwest, with the greatest iron mines of the world, the headquarters of the mining and transportation interests of the United States Steel Company, the port which including its shipments of iron ore has, on the authority of James J. Hill, the greatest tonnage in the world, on behalf of Duluth, I wish to second the presentation of the name of Minneapolis.

Mr. Kadeski, of Quincy—I rise to second the nomination of the large and windy city. Being a resident of Illinois, and at one time a resident of Chicago, I feel that irrespective of all that has been said about the east, west and south, we ought to take into consideration that the World's Fair will be at St. Louis next year, and bring our wives and sweethearts to the middle west and visit St. Louis again, starting from Chicago; and take this opportunity of visiting the great city that will soon be the center of the finance as well as the commerce of the world, Chicago.

Mr. Bannin, of New York—On behalf of New York, I would ask, why can we not go there? We have been south and west, and we want you to come to New York. We have extended the invitation here many times; we are very modest there, and we have not prestige. But we wish at this time you would accord us

the privilege of entertaining you. We have been entertained in these different cities so many times, so royally and grandly that it is our desire that you visit us and see what we can do for you. I hope that each of the cities, Chicago and all, will retire in favor of New York. It is well that so many desire the association to visit our city, and it does seem now that the time is ripe when we in New York should be favored with your presence. I cannot add anything to what Mr. Biggs has presented to you; but I will say that if you do favor us you will be welcome, and that we will endeavor to accord to you the same welcome that has been given to us by every city we have visited since the inception of this organization.

Mr. C. L. Bird, of Boston—The members of the National Association living in the east would ask careful consideration of this matter. We have come from Boston, New York, Baltimore, Philadelphia, and individual members as far as from the State of Maine, now for several years, thousands of miles, and we believe if this Convention moves eastward and comes to New York that every association in the whole eastern part of this country will derive immediate benefit from it.

Mr. Walker, of Louisville—Mr. Chairman and Gentlemen: There was a negro went into the clerk's office in Louisville one day to get a marriage license, and he told the clerk to make it out and the clerk handed it to him and he said: "Why, boss, you have made a mistake about this; I want to marry Laura Johnson and you have it Julia;" and the clerk said: "I cannot help it, that is what you told me; if you want to have it changed you will have to pay another dollar." "Hold on, Boss," said the negro, "I will have to look into that;" so he went out, but soon returned, saying: "All right, Boss, that will do all right; I met a Nigger outside there and he said he knew both those ladies and there wasn't a dollar's difference between them." (Great laughter and applause.) Gentlemen, when it comes to Minneapolis, Denver and Duluth and these various places—Memphis even—(laughter) when it comes to them, the Louisville Association does not see a dollar's difference between them; but as for New York, she stands out pre-eminent as the great financial center of this country, and we believe that it behooves this society this coming year to go there. Some time ago when passing on an order from a fellow I looked into his credentials and turned him down, and wrote him that hitherto we had sold him only with bill of lading attached. The drummer in this case had sold the bill on 60 days, but we declined the order and wrote that we would be very glad indeed to ship the goods out in the usual way. In a few days we got a letter from him saying: "Ship them any old way; I have got the spot." Now, in New York they have got the "spot." Those fellows have been coming to us year after year, you know, begging us to go there; and they are going to show us a great time. They promise that they will not meet us with a band playing, "When Reuben Comes to Town," but they will receive us cordially and make us have a good time.

Ex-Gov. Crittenden, of Missouri—I have been deserted here by the Kansas City delegation; I am its youngest member and hardly able to state for which city I shall cast my vote. I have watched Louisville after Kansas City had departed from me; I have seen how it was going, and then Apperson came to me and said: "You don't know how to vote, do you?" I said: "No, sir." "Vote for New York," he said: "Learn a little sense before you die, and vote for New York." He said: "If Memphis were in it you would be instructed to vote for Memphis." So, gentlemen, I am following the decision or declaration of Louisville and Memphis in voting for New York. (Applause.)

I am naturally inclined to vote for Minneapolis, and if I am alive at the next election I promise my Minneapolis friends that they will get the next Convention. I think there is a great deal of force in what my friend has said. Louisville had it last year, St. Louis has it now, we had it at Kansas City. New York—we have never been there to a convention of this kind, and I think that it is a city not only of such national importance, but world-wide importance that we should go there; and those of us who are not honored with being residents of such a great city, will be received and treated as country cousins. I have no doubt—we will receive such a reception as we have never had; we will see such sights as we have never seen; and I think it would be a very graceful act for all these other places to retire and say, "Let us have the next Convention in New York." (Great applause.)

Mr. Ritchie, Assistant Manager of the Planters' Hotel, was called for.

Mr. Ritchie—Excuse me for breaking into a meeting where I am not a member; but I feel that I am indebted to this organization to a certain extent, and I have come here rather in a different position from the members who have been extending invitations. I met most of you gentlemen at Milwaukee a few years ago, where the hotel with which I was connected was favored with your patronage. This year when the Convention decided to come to St. Louis I called on your Secretary, and I said, they are such good fellows we want them again, and they selected this hotel as their headquarters. Mr. Weaver has been equally impressed with your good fellowship, and we do not like to give you up; we wish to extend an invitation on our own behalf and entertain you ourselves. If you go to New York, to Minneapolis or to any of the other great cities which have been spoken of, it entails labor upon the individual members to entertain you; and I wish to present an invitation which will enable us to get even with you for the work you have done in our behalf.

Mackinac Island is the most beautiful spot on this continent. It is a place we would like to have you see; and there are various forms of entertainment to relieve your minds from your heavy work. But if you go to New York you will see those busy faces before you and it will be no relief from the strain of labor. But we can take you to a spot where we can show you something new in credit, a spot where there has never been a failure. We believe, if you will come with us, that you will pronounce your entertainment a success. (Applause.)

Mr. Meek, of New York—Mr. President: At this Convention I met a gentleman whom I had not seen for 10 years. He was the party who brought to the notice of the credit men of New York, the formation of a Credit Men's Association; and at the first meeting in the Astor House, some 10 years ago, I was one of the fortunate ones present, and I believe that I am the only representative of the Association to-day that was at that meeting. Since that time I have labored hard and faithfully for the objects of the organization; I have done everything in my power to further the interests of the National Association of Credit Men, and I feel to-day, gentlemen, that the work of the New York Association should be recognized, and that you should do us the honor of visiting our city. It will help us, it will do us good, and I sincerely trust that you will favor us and that we will have the pleasure of entertaining you and taking care of you in our city next year.

Mr. Standart, of Denver—I desire to say, Mr. President, that in extending the invitation for Denver, we did it in all sincerity, with the wish to do what was best for the National Association; and there is no question in my mind from the sentiment that I have seen, but that there is only one thing to do, for next year, and Denver desires to withdraw in favor of New York. (Applause.)

Mr. Field, of Philadelphia—I withdraw Mackinac for next year and endorse New York, and I move to make New York unanimous, and I present it as a substitute for all other motions that are before the Convention.

Mr. Salisbury, of Minneapolis—With the consent of the second, those gentlemen who have so kindly supported Minneapolis, I would like to withdraw the name of Minneapolis at this time and give our support to New York. (Great applause, and cries of "Good, Good!")

Mr. McAdow, of Chicago—I want to preface what I say by thanking Mr. Young for the unconscious acknowledgment he made of the care we take of strangers in Chicago. (Laughter.) When farmers come there we always caution them against being held up. (Great laughter.)

Mr. President, it is pretty well known that when Chicago says "I will" there is no power on earth or in New York that could say her nay. (Laughter.) But this is the first time we have presented our invitation, and with our native modesty we have stood back and seen the more needy cities carry off this coveted prize of the Convention of the Association. And we begin to feel that New York is really in need of it. Therefore, I withdraw the Chicago invitation in favor of New York. (Applause.)

(Cries of question, question.)

(All seconds withdrawn.)

President—It resolves itself into the invitation extended by Mr. Biggs in behalf of New York.

Motion to accept New York's invitation was unanimously carried by a rising vote.

(State Vice-Presidents called for.)

President—The Secretary will read the list.

Secretary—Connecticut, C. B. Dolge;

Illinois, B. F. Harber;

Kentucky, Samuel D. Auerbach;

Louisiana, Albert H. Kaiser;

Maryland, Frank J. LaMotte;

Massachusetts, Herbert E. Reed;

Michigan, Edmund Hobbs;

Minnesota, A. E. Clerihew.

Missouri (George H. Barclay, Chairman of Delegation)—It is my privilege, and also my pleasure, as a citizen of this great commonwealth to present the name of one of our favorite sons for the office of State Vice-President, and in doing so I feel that it is but the stepping-stone to the most exalted office within the gift of this association, and it is only a question of a short time when it will be recognized that the office will seek the man. I have the pleasure and honor to submit the name of Mr. F. W. Yale, of St. Joseph, Missouri. (Applause.)

Nebraska, F. B. Hochstetler;

New York, Daniel B. Murphy;

Ohio, W. E. Rice;

Oregon, W. H. Ashton;

Pennsylvania, J. A. McKee;

Virginia, W. H. Miller;

Wisconsin, R. J. Morawetz.

President—We will now have the result of election of directors announced by the Secretary.

Secretary—The tellers announce that the result of the election is as follows:



Of the votes cast, A. H. Foote, of St. Louis, received 293; Charles D. Griffith, of Denver, 256; Robert McF. Smith, 171; Charles N. Robinson, of Omaha, 168.

These gentlemen being the four who received the highest number of votes, are elected members of the Board of Directors. There will be a meeting of the Board of Directors in Room 304 immediately upon the adjournment of the Convention.

President—The next order of business will be the selection of location for central office.

Motion made that this matter be referred to the National Executive Board of the National Association.

Seconded and unanimously carried.

The Committee on Resolutions then presented the following report:

Mr. Biggs—The Committee on Resolutions desires to present the following to the Convention regarding some of the suggestions made by President Tregoe.

The Committee would recommend *First*, That the per capita dues be increased from \$3 to \$4 per annum.

*Second*, That the idea of employing a paid resident secretary for each local association is approved, and that it be adopted at the discretion of the local associations.

President—In making the recommendations I did in my message, I did not have in mind any definite sum; neither have I expressed myself to the Committee on Resolutions. You are therefore at liberty to discuss this resolution without any thought of my recommendation or my feelings—discuss it as you feel proper.

Mr. McAdow, of Chicago—There are two features involved in that resolution, two distinct propositions, and I suggest that we act on them separately.

President—Then we will take up the first part of the resolution, referring to the increase of the per capita dues.

Mr. Biggs—The Committee on Resolutions would recommend, *First*, That the per capita dues be increased from \$3 to \$4 per annum.

Mr. Bond, of Milwaukee—Perhaps a number of delegates will remember that the Milwaukee Association presented a resolution at the convention in Louisville last year increasing the dues from \$3 to \$4. At that time the resolution was not adopted. Milwaukee comes to-day still in favor of that resolution, and I would move that the per capita dues be increased from \$3 to \$4 to enable the National Association to carry on its work.

Mr. Terry, of Lynchburg—I would be very glad to see it increased more—up to \$5 if we could get it—but the question is, is it the wisest thing to do under the circumstances? We may put it at a large figure and not get so much as at present. I think \$4 is too much—I think a 50 cent increase will give you a very good income. It may not give you all you could spend, but you could get along very well with it, and I believe you will get more revenue at \$3.50 than \$4, and I, therefore, move that we make it \$3.50 instead of \$4.

Mr. Wolf, of New Orleans—When would this go into effect, if passed?

President—I understand from the first of July of the ensuing year.

Mr. Wolf—I cannot see how I can vote for that, inasmuch as our constitution, charter and by-laws provide for a stipulated amount, which we amended to raise at one time to meet the requirements of this National Assembly, and if it is put into effect now we could not do anything with it until the first of next March, for our charter does not allow us to amend until that time. We have to stand by our fiscal year, and cannot make retroactive legislation.

Mr. McAdow, of Chicago—I would like to inquire how many of the local associations have a fee of \$5 or a less amount than \$10?

President—I cannot answer that question. Perhaps some one in the room can. (No answers given.)

Mr. Field, of Philadelphia—I was asked by a gentleman, (not in a captious mood at all), this question, to-day, "Mr. Field, do you think that this organization is going to be perpetuated, and do you think it will grow?" He indicated that he thought it was a little slow in its growth. I told him probably that was so, because his conversation reminded me of the young man who went to the president of the college he was about to enter and said, "Mr. President, I have looked over the four years' course of study, and I am certain, sir, if you will permit me, I can finish that course in two years instead of four." The old president looked at him and said, "Well, young man, I suppose that is so; when God grows a squash he does it in thirty days, but when he grows an oak it takes him 100 years. (Applause and laughter.)

We are growing, perhaps not as fast as some of us would like, but our growth is steady and sturdy.

In regard to supporting the organization, I think that we ought as credit men, to make an appeal to the houses that we represent. I regard this organization to-day as the most important adjunct we have in connection with our business in regard to credit, and it costs us only the trifling sum of \$10 a year, and if this matter was thoroughly and properly presented before the different firms, if they knew the value of this association as I know it, as the head of my house, and that we would not give up our interest in this concern if it cost us \$250 or more, a year, (applause), they would willingly lend us all the support we need. I believe we should make some movement personally if possible, and present this matter before the different firms.

A short time ago I was asked to deliver a lecture before the School of Political

Economy and Finance at the University of Pennsylvania, before the students, and when I was through with my address the Dean came up to me and said, "Mr. Field, what about this National Credit Men's Association?" and I was compelled, before the boys to go into a full and thorough explanation of what the National Association is. Now, Mr. Chairman, I am as confident as I am that I am standing before you, that if we will thoroughly and properly bring this before the various firms that we represent, we will get all the money that we need. Why, who would want to give up this organization? Let us make an effort along these lines, and I believe, sir, we will succeed. (Applause.)

Mr. McKee, of Philadelphia—Along the lines mentioned by Mr. Field, of Philadelphia, I move that the officers of the National Association prepare an appeal to the business public, the manufacturing and jobbing interests of the United States, asking them to contribute to the carrying on of the affairs of this association and become members. I believe that that will be readily responded to—more readily than we have any expectation; I think that the business public needs to be thrilled; it needs to feel the claims and the benefits to be derived from this Association as Mr. Field feels them. He is one of our representative business men; no man stands higher in the community; no house stands better; and I do hope that something will be done to take up that matter and carry it forward to fruition.

Motion to adopt resolution is seconded.

Mr. Nordeman, of Louisville—I do not want to appear as presenting a view of this matter that shall be small, or that we as an Association should be picayunish, but recognizing the fact that all over our land in the smaller cities there are Associations whose dues are \$10, and for those Associations to pay \$4 of that amount over to the National Association when they are having a hard time at best to get their houses interested in paying the dues of the local Credit Men's Association, we should hesitate before adopting this resolution; and I first would like to ask as a point of information, what we are paying out in detail for salaries as a National Association—I know the amount was given at something like \$7,000—\$16,000 was raised last year and expended and in the meetings held in St. Louis, I have only noticed one item that needed a possible increase, and that was for the change from BUSINESS TOPICS to the BULLETIN, and the Secretary announced that the increased cost would be about \$100. We are getting in additional members all the time, more than enough to pay the salary of the Assistant Secretary, and I believe we ought to make progress slowly along this line of increasing the per capita tax. We should not scare the little Associations off, and I think the revenue that we raise is sufficient for the support of the National Association. If it is not, we ought to retrench along some of the lines that are unnecessary, and I for one would seriously oppose the increase per capita over and above what it is to-day.

Mr. W. O. Munsell, of Portland, Oregon—Our Association is a long way from the business center and we have expenses that you do not feel here in the Middle-West and Eastern States. We have, however, always been loyal supporters of the National Association, and I do not believe an appeal has ever been made, or a proposition ever propounded, but what we have responded. Our dues are \$1 per month collected quarterly. Our membership is not very large, we have perhaps, 60, and yet the Portland Association will be glad to pay to the National Association \$4 per member for the work you are doing, because we feel that we get results for it that we otherwise would not get.

Mr. Kingsbury, of Rochester—I have the honor to be one of the officers of the Rochester Association. It is a small city with a fairly good membership, and our dues are \$10. At the end of the year we have our debts paid and a few dollars in the treasury. This question of dues was brought before the association at its last meeting and the delegates instructed after carefully considering this matter at a large meeting of the association, to oppose, this year, at least, any increase in the per capita dues, as we felt that it would be more of a tax than we could stand, and we did not feel that we were situated so that we could increase our dues now, and we know there are other associations in the same position, and we believe that there is very little with which to carry on the work which it is necessary for us to do. To every appeal made by the National Association to Rochester we have responded. We gave you more than you asked for the trust fund, and if you want more you will get it; but on this question we do not feel this year that it ought to be done, and our delegation was instructed by our association to oppose it.

Mr. Smith, of Chicago—I think it is very apparent that there is a feeling among a great many of the delegates that the National Association is in need of some increase to its resources, and I would move as a substitute that the per capita dues be increased from \$3 to \$3.50.

(The Baltimore delegation said that it was in favor of \$4.)

Mr. Kadeski, of Quincy—We spoke to the Secretary and asked him whether the present \$3 was sufficient to carry on the business of the organization consistently and properly, and he answered no; and it is for this reason, because the Committee has recommended other expenditures, such as enlarging the BULLETIN, etc., that we have felt in duty bound to favor the allowance of \$4 per annum; and I hope the resolution will prevail.

President—This resolution is in the nature of an amendment to the constitution.

Mr. McAdow—I second the substitute offered by Mr. Smith.

The question was asked as to the course of such amendments proposed before the Convention, whether they were sent to the Board of Directors and reported back or again, or not.

Secretary—Amendments must be passed upon by the Convention, and if they are passed they are not adopted as parts of the constitution until ratified by a two-thirds vote of the members present or represented by proxy at the annual meeting of the corporation on the last Tuesday of June in each year. A majority vote refers it to the annual meeting, which can reject it if it sees fit.

A rising vote was taken as to the substitute making the dues \$3.50, which resulted in 41 ayes and 42 noes.

President—The substitute to the resolution is lost.

The motion on the original resolution on \$4 as an amendment to the constitution to be acted upon at the annual meeting was then put, and resulted in a vote of 64 affirmative, noes not counted, and the resolution was declared adopted by the President.

President—We will resume the report of the Committee on Resolutions.

Mr. Biggs—The Committee now offers the following resolutions:

*Resolved*, That the thanks of the members of the National Association of Credit Men be, and are hereby, cordially extended to the members of the Ladies' Auxiliary of the St. Louis Association, for the untiring zeal and hospitality displayed in providing for the welfare, convenience and pleasure of their guests during the Convention.

May the flood of disastrous waters, menacing their beautiful and progressive city rapidly subside to be replaced by a flood of enduring appreciation from hearts made glad by their endeavors; and be it further

*Resolved*, That this Convention affirm the world-wide statement that St. Louis certainly has the most beautiful and charming ladies in the land.

Long may they live in perfect happiness and prosperity.

Motion made, seconded and unanimously adopted, adopting the resolution.

Mr. Biggs—The Committee presents the following resolution, which will be the latter part of the second clause of the first resolution that has been acted upon, and which you decided to divide.

*Second*, That the idea of employing a paid resident secretary for each local association is approved, and that it be adopted at the discretion of the local association.

Motion made, seconded and unanimously carried, adopting the resolution.

Mr. Biggs—Regarding the adoption of the Association button, the committee after a full and careful consideration begs to report that it is deemed inadvisable to adopt a button for the Association on account of the very large number of buttons now in use, representing different lodges and associations to which members of this Association belong.

Motion made, seconded and unanimously carried adopting the report.

Mr. Biggs—The committee desires to offer the following resolution:

*Whereas*, The National Association of Credit Men in their Eighth Annual Convention assembled in the city of St. Louis, realizing that the Press is a great factor in the world of commerce and as an educator stands foremost, by being the distributor and conveyor of the thoughts of men and of organizations; that the public may become familiar with its findings; be it

*Resolved*, That fully appreciating the labors of the representatives of the City and the Associated Press, who so ably reported the work of this Convention, we hereby express our sincere thanks for the work so ably performed and transmitted to the public.

Motion made, seconded and unanimously carried adopting the resolution.

Mr. Biggs—The Committee on Resolutions desires to present the following resolution:

*Whereas*, The continuous growth in numbers and influence of this Association are in a large measure the results of the wisdom and zeal exercised by our executive officers in the conduct of its affairs; therefore be it

*Resolved*, That our most hearty and sincere thanks are due and are hereby tendered to the retiring officers for their valuable and untiring services, which at all times have been performed in a spirit of justice, generosity, self-sacrifice and remarkable ability.

Motion made, seconded and unanimously carried adopting the resolution.

Mr. Biggs—I would especially ask your attention, gentlemen, to the following resolution proposed by your committee:

*Resolved*, That a vote of thanks be extended to the officers and members of the St. Louis Credit Men's Association (not forgetting their worthy and extremely active Secretary, Mr. A. H. Foote), for the entertainment furnished to visiting delegates and ladies. They were not only there with the "goods," but the "coin," as well.

The spirit of three in one is nearly dissolved into the spirit of one in one, through the genuine hospitality, lavish entertainment, and heart to heart spirit at all times displayed, not only by the St. Louis Credit Men's Association, but also by all the good people of the city.

That their cordiality and hospitality is most highly appreciated and will be

remembered by those who were fortunate enough to attend the Eighth Annual Convention of the National Association of Credit Men, and in

#### CONCLUSION.

We are very sorry for the members and their ladies that could not or would not attend this most successful Convention.

Motion made, seconded and unanimously carried by a rising vote, adopting the resolution.

President—We thank the Committee on Resolutions.

Our business is concluded. I want to thank you for the very kind and decorous manner in which you have taken part in this Convention, and I cannot myself allow the separation to take place without asking our honored friend and ex-President to please adjourn us—I call upon Mr. Field.

(Mr. Field here took the chair amid great applause.)

Mr. Field—Ladies and Gentlemen, and Mr. President: It certainly has been a most enjoyable session of our Credit Men's Association. Everything has moved along as indicated by ex-Governor Crittenden, in the most business-like way. There has been unanimity of feeling; we have all one object and one aim in view, and that is that we may accomplish the purpose clearly and distinctly of our organization, and I know as a business man, coming in contact with many circles, that you are growing constantly in influence and in power and in usefulness, and I hope that there will never enter into our ranks anything that will cause us trouble or division. I often think on such an occasion as this of one of the most beautiful chapters in the Bible, the 14th of John, which closes with these words: "Arise, let us go hence." So everything beautiful and pleasant in life closes with such words, "Arise, let us go hence." So I say to you, and may God's blessing abide upon you all. (Applause.)

Adjourned *sine die*.

### Roster of Delegates and Individual Members, also Delegates and Individual Members Represented by Proxies, St. Louis Convention, June 9, 10, 11, 1903.

#### DELEGATES REPRESENTING LOCAL ASSOCIATIONS.

##### DENVER.

Wm. C. Hall  
F. W. Standart  
H. A. C. Mathew

R. R. Gillette  
E. A. Clifford  
B. W. Osborn

##### ATLANTA.

D. H. Kirkland

W. H. Kiser

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S. J. Whitlock  
W. C. Shurtleff  
Henry T. Smith  
Victor Robertson  
C. H. Newhall  
F. H. McAdow  
Dorchester Mapes

C. H. Hovey  
John Griggs  
M. W. Dalzell  
Morton M. Curry  
Arthur G. Bennett  
John C. Boss  
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J. H. Scales  
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C. S. Foster

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C. D. MacLaren  
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F. R. Salisbury  
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A. E. Cleribew  
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F. J. McKenna  
J. G. Gilmore  
L. D. Vogel  
W. F. Klene  
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E. E. Scharff  
R. E. L. Winter

Jas. E. Black  
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S. P. Delano  
W. Biebinger  
Paul W. Wilucki  
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#### ST. JOSEPH.

Geo. M. Johnson

Frank W. Yale

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John L. Powell  
Edwin A. Krauthoff

J. M. Gregory  
L. L. Saniter

#### OMAHA.

C. W. Russell

C. N. Robinson

#### BUFFALO.

U. L. Caudell  
S. C. Ryan

Wm. Edwards  
Alfred H. Burt

#### ROCHESTER.

Joseph Farley  
Elmer Roblin

Philip Present  
Ira D. Kingsbury

#### NEW YORK.

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W. S. Armstrong  
T. H. Bartindale  
M. E. Bannin  
Chas. Biggs  
W. C. Brush  
F. K. Dolbeer  
J. C. Emory  
J. E. Edgar  
E. E. Huber

W. W. Lester  
Chas. E. Meek  
R. P. Messiter  
T. J. McGuire  
G. S. Mariager  
W. E. Purdy  
Owen Shepherd  
H. J. Sayers  
Otto A. Strecker

O. J. Timberman  
R. McF. Smith  
S. G. Rosson

A. L. Somers  
W. E. Rice  
W. F. Lyon

Frank S. Evans  
G. L. Levi  
H. E. Moody  
J. A. McKee  
Chas. G. Rapp

H. P. Dormer  
W. L. Danahey  
M. J. Connolly  
Frank E. Freese

Geo. M. Thomas  
H. L. Sperry  
E. S. Shannon  
S. T. Mayfield

J. M. Scruggs  
W. I. Moody

W. N. Fitzgerald  
Edwin C. Mason  
Chas. J. Lund

#### CINCINNATI.

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W. A. Hopple  
L. S. Doggett

#### CLEVELAND.

F. A. Grossenbacher  
A. W. Frank

#### PORTLAND, ORE.

W. O. Munsell

#### PHILADELPHIA.

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R. S. Chambers  
Warren Carter  
F. D. Sweeten

#### PITTSBURG.

E. A. Grant  
G. Brown Hill  
Cyrus Lewis

#### NASHVILLE.

Eugene O. Harris  
J. B. Deeds  
O. J. Walsh

#### MEMPHIS.

S. L. Lee  
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#### LYNCHBURG.

T. M. Terry

#### MILWAUKEE.

R. J. Morawetz  
A. W. Rich  
W. B. Strong

#### YOUNGSTOWN.

W. R. Packard

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#### DELEGATES FROM LOCAL ASSOCIATIONS REPRESENTED BY PROXIES.

#### NEW ORLEANS.

G. S. Smith by Sam'l Wolf.  
F. J. Bartlette by C. S. Foster.  
T. J. Ferguson by C. S. Foster.

#### PORTLAND.

A. Mangold by W. O. Munsell.  
W. H. Chapin by W. O. Munsell.  
G. S. Mann by W. O. Munsell.

#### ST. JOSEPH.

F. C. Smith by F. W. Yale.  
C. W. Sponsler by F. W. Yale.  
R. O. McBride by F. W. Yale.

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Fred'k W. Standart	Geo. R. Barclay
Edw. J. Koonz	W. N. Fitzgerald
Theodore O'Toole	F. T. Cartwright
L. J. Kadeski	T. M. Terry
B. F. Harber	Frank S. Evans
Chas. L. Lewando	G. L. Levi
J. H. Tregoe	J. A. McKee
Henry T. Smith	C. G. Rapp
C. H. Newhall	F. D. Sweeten
E. A. Young	F. E. Freese
John N. Snowden	G. Brown Hill
C. D. Maclaren	W. A. Given
Fred. R. Salisbury	W. A. Hoppie
George H. Graves	Jas. Gray
Ernest Lovan	Chas. Biggs
George M. Johnson	W. W. Lester
L. P. Wilcox	C. E. Meek
Louis Renard	R. P. Messiter
Fred. A. Powers	Owen Shepherd
J. C. Punch	Jos. Farley
E. E. Magill	I. D. Kingsbury
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H. V. Kent	W. A. Prendergast

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<i>Proxy.</i>	
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R. O. Green, Ft. Dodge, Ia.....	S. H. Hess
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W. B. Roper, Norfolk, Va.....	T. M. Terry
P. J. Potts, Richmond, Va.....	T. M. Terry
J. L. Moore, Carthage, Mo.....	A. H. Foote
J. H. Spencer, Joplin, Mo.....	A. H. Foote
Jacob Katz, New Orleans, La.....	Saml. Wolf
P. J. Orchard, New Orleans, La.....	Saml. Wolf
W. A. Hover, Denver, Colo.....	F. W. Standart
Wm. C. Weaver, Denver, Colo.....	F. W. Standart
J. Albert Hughes, Baltimore, Md.....	J. Harry Tregoe
David H. Lauchheimer, Baltimore, Md.....	J. Harry Tregoe
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A. L. Eberhart, Cleveland, O.....	W. F. Lyon
James Reynolds, Mansfield, O.....	W. F. Lyon
Wm. F. Puls, Chicago, Ill.....	John Griggs
J. Edmund Stone, Chicago, Ill.....	F. H. McAdow
James B. Forgan, Chicago, Ill.....	Charles H. Newhall
E. Sherman, Chicago, Ill.....	H. T. Smith
R. C. Hall, Chicago, Ill.....	H. T. Smith
Walter C. Hughes, Chicago, Ill.....	H. T. Smith
Robert Kennedy, Peoria, Ill.....	F. H. McAdow
William E. Stone, Peoria, Ill.....	F. H. McAdow
J. L. Klemm, Quincy, Ill.....	C. A. Heidbreder
Harvey B. Evans, Westfield, Mass.....	C. L. Bird
Frank E. Tuttle, Chicopee, Mass.....	C. L. Bird
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Ino. A. Lucy, Minneapolis, Minn.....	Fred. R. Salisbury
Edwin I. Fisher, Minneapolis, Minn.....	Fred. R. Salisbury
F. A. Patrick & Co., Duluth, Minn.....	Elbert A. Young
E. M. Ferguson, Duluth, Minn.....	Elbert A. Young

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A. P. Warren, St. Paul, Minn.....	Elbert A. Young
Ferdinand Hirsch, St. Paul, Minn.....	Elbert A. Young
A. W. Ritzinger, St. Paul, Minn.....	Elbert A. Young
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P. D. Ferguson, St. Paul, Minn.....	Elbert A. Young
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L. W. French, St. Paul, Minn.....	Elbert A. Young
Alfred Scheffer, St. Paul, Minn.....	Elbert A. Young
Joseph H. Beek, St. Paul, Minn.....	Elbert A. Young
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Paul H. Gotzian, St. Paul, Minn.....	Elbert A. Young
H. P. McMillan, St. Paul, Minn.....	Elbert A. Young
Arthur B. Driscoll, St. Paul, Minn.....	Elbert A. Young
H. A. Boardman, St. Paul, Minn.....	Elbert A. Young
Jno. F. Kelly, St. Paul, Minn.....	Elbert A. Young
Roy P. Ingmundson, St. Paul, Minn.....	Elbert A. Young
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T. F. McCormick, St. Paul, Minn.....	Elbert A. Young
F. H. Bailey, St. Paul, Minn.....	Elbert A. Young
A. Friedman, St. Louis, Mo.....	A. H. Foote
Burke, Fitz Simons, Hone & Co., Rochester, N. Y.....	Jos. Farley
Geo. G. Ford, Rochester, N. Y.....	Elmer Roblin
Lewis S. Foulkes, Rochester, N. Y.....	Jos. Farley
Titus Sheard Co., Little Falls, N. Y.....	Chas. E. Meek
William Barker, Jr., Troy, N. Y.....	Chas. E. Meek
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New York Leather Belting Co., New York City.....	Chas. E. Meek
Charles Hathaway, New York City.....	Chas. E. Meek
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O. P. Burke, New York City.....	Chas. E. Meek
Theo. M. Brown, New York City.....	Chas. E. Meek
Louis C. Hahn, New York City.....	Chas. E. Meek
Hugo Kanzler, New York City.....	Chas. E. Meek
Wm. M. Haines, New York City.....	Chas. E. Meek
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Preston B. Keith, Campello, Mass. .... Chas. L. Bird  
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Batchelder & Lincoln Co., Boston, Mass. .... J. F. Knowles

# Directory of Officers of the National Association of Credit Men, and Affiliated Branches.

## OFFICERS

### OF THE

## NATIONAL ASSOCIATION OF CREDIT MEN.

1903-1904.

President—J. Harry Tregoe, Vice-President The John A. Carroll Shoe Company, Baltimore, Md.  
Vice-President—Richard Hanlon, Hanlon Millinery Co., St. Louis, Mo.  
Secretary-Treasurer—Wm. A. Prendergast, New York.  
Assistant Secretary—Francis J. Stockwell, St. Louis, Mo.

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Chas. E. Meek (National Lead Company), New York.  
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Mr. Chas. D. Griffith, The C. D. Griffith Shoe Co., Denver, Col.  
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Vice-President—Richard Hanlon.  
Secretary-Treasurer—Wm. A. Prendergast.

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BUFFALO, N. Y.—Buffalo Credit Men's Association. President, Alfred H. Burt, Burt & Sindele; Secretary, J. J. Dolphin, Iroquois Rubber Co.  
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DETROIT, MICH.—Detroit Credit Men's Association. President, Geo. R. Treble, Lee & Cady; Secretary, W. S. Campbell, No. 506 Wayne County Bank Bldg.

EVANSVILLE, IND.—Evansville Credit Men's Association. President, J. R. Goodwin, Goodwin Clothing Co.; Secretary, Edward Kiechle, Southern Stove Works.

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KANSAS CITY, MO.—Kansas City Association of Credit Men. President, John L. Powell, Goldstand-Powell Hat Co.; Secretary, Edwin A. Krauthoff, Kames, New & Krauthoff.

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LOUISVILLE, KY.—Louisville Credit Men's Association. President, F. M. Gettys, American Clothing Co.; Secretary, Chas. W. Chambers, 206 Union Nat. Bank Bldg.

LYNCHBURG, VA.—Lynchburg Credit Men's Association. President, T. M. Terry, Craddock-Terry Co.; Secretary, John L. Caskie, Jackson Bros. & Watts Co.

MEMPHIS, TENN.—The Memphis Credit Men's Association. President, S. L. Lee, Lee & Morton; Secretary, J. C. James, 33 Madison St.

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MINNEAPOLIS, MINN.—Minneapolis Credit Men's Association. President, W. S. Hughes, Dodson, Fisher, Brockmann Co.; Secretary, M. C. Badger, Patterson & Stevenson Co.

NASHVILLE, TENN.—Nashville Credit Men's Association. President, H. H. Nance, Richardson Bros. Shoe Co.; Secretary, Geo. M. Thomas, American Building.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. Secretary, T. J. Bartlette, B. J. Wolf & Sons.

NEW YORK, N. Y.—The New York Credit Men's Association. President, Chas. E. Meek (National Lead Company); Secretary, H. J. Sayers, No. 320 Broadway.

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PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, C. F. Shoemaker, Shoemaker & Busch; Secretary, S. W. Severson, Room 702, No. 1001 Chestnut St.

PITTSBURGH, PA.—Pittsburgh Credit Men's Association. President, W. A. Given, The Pittsburgh Dry Goods Co.; Secretary, W. L. Danahy, Monongahela Bank Bldg.

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ST. JOSEPH, MO.—St. Joseph Credit Men's Association. President, F. W. Yale, John S. Brittain Dry Goods Co.; Secretary, C. S. Dickey, Box 1133.

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ST. PAUL, MINN.—St. Paul Credit Men's Association. President, Albert Scheffer, Scheffer & Rossum; Secretary, H. W. Parker, Merchants' National Bank.

SAN FRANCISCO, CAL.—San Francisco Credit Men's Association. President, G. Brenner, L. & G. Brenner; Secretary, Ben Armer, No. 535 Parrott Bldg.

SEATTLE, WASH.—Credit Department, Merchant's Association. President, Jas. S. Goldsmith, Schwabacher Bros & Co.; I. H. Jennings, Asst. Secty., 413 Bailey Bldg.

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